

VOLUME 3  
JOURNAL  
OF THE  
**HOUSE**  
OF REPRESENTATIVES  
SEVENTY-EIGHTH SESSION  
OF THE  
**LEGISLATURE**  
STATE OF MINNESOTA

1993

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FORTY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 27, 1993

The House of Representatives convened at 1:00 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Dane Werley Compton, Trinity Lutheran Church, Missouri Synod, Evansville, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Jefferson was excused until 2:00 p.m. Pauly was excused until 2:30 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 397 and H. F. No. 1272, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jefferson moved that S. F. No. 397 be substituted for H. F. No. 1272 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 692 and H. F. No. 826, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Simoneau moved that S. F. No. 692 be substituted for H. F. No. 826 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 739 and H. F. No. 867, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Cooper moved that the rules be so far suspended that S. F. No. 739 be substituted for H. F. No. 867 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 918 and H. F. No. 1514, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Pugh moved that S. F. No. 918 be substituted for H. F. No. 1514 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 948 and H. F. No. 640, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Huntley moved that the rules be so far suspended that S. F. No. 948 be substituted for H. F. No. 640 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1602 and H. F. No. 695, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Ozment moved that the rules be so far suspended that S. F. No. 1602 be substituted for H. F. No. 695 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1613 and H. F. No. 1741, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rice moved that the rules be so far suspended that S. F. No. 1613 be substituted for H. F. No. 1741 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1620 and H. F. No. 1750, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Krueger moved that the rules be so far suspended that S. F. No. 1620 be substituted for H. F. No. 1750 and that the House File be indefinitely postponed. The motion prevailed.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 23, 1993

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

Dear Speaker Long:

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

H. F. No. 566, relating to telecommunications; extending authority of public utilities commission to approve incentive regulation plans for certain telephone companies.

H. F. No. 976, relating to counties; authorizing a county to transfer funds to and enter into contracts with community action agencies.

H. F. No. 421, relating to state parks; authorizing an addition to Charles A. Lindbergh state park.

H. F. No. 86, relating to state government; extending expiration date of governor's residence council; providing for four additional public members.

H. F. No. 1100, relating to insurance; regulating the health coverage reinsurance association.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 23, 1993

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

Dear Speaker Long:

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

H. F. No. 381, relating to education; revising the mailing requirement for notices of referendum revenue authorization elections.

H. F. No. 1527, relating to education; providing for school district elections in independent school district Nos. 404, 408, and 583.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1993</i>	<i>Date Filed 1993</i>
	566	41	11:40 a.m. April 23	April 23
	976	42	11:42 a.m. April 23	April 23
	421	43	11:45 a.m. April 23	April 23
	381	44	9:58 a.m. April 23	April 23
	1527	45	10:02 a.m. April 23	April 23
	86	46	11:47 a.m. April 23	April 23
	1100	47	11:47 a.m. April 23	April 23

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 26, 1993

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

Dear Speaker Long:

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

H. F. No. 654, relating to commerce; regulating corporate registrations and administrative dissolutions; regulating limited partnership registrations; regulating trademarks; regulating various lien filings; making various housekeeping changes relating to the powers and duties of the secretary of state; regulating legal newspapers.

H. F. No. 295, relating to utilities; authorizing utilities to make automatic annual rate adjustments for costs of conservation improvements.

H. F. No. 226, relating to health; clarifying the meaning of comprehensive health maintenance services.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1993	Date Filed 1993
	654	48	2:58 p.m. April 26	April 26
	295	49	2:58 p.m. April 26	April 26
	226	50	3:00 p.m. April 26	April 26
5		51	3:02 p.m. April 26	April 26
394		52	3:05 p.m. April 26	April 26
582		53	3:08 p.m. April 26	April 26

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

**REPORTS OF STANDING COMMITTEES**

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

H. F. No. 10, A bill for an act relating to education; establishing a youth apprenticeship program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 5, line 29, delete "four" and insert "three"

Page 5, line 30, delete the first "five" and insert "three" and delete the second "five" and insert "two"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 673, A bill for an act relating to agriculture; regulating activities relating to restricted species; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 2, line 35, delete "June" and insert "September"

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Education to which was referred:

House Concurrent Resolution No. 2, A house concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

Reported the same back with the recommendation that the house concurrent resolution be adopted.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 10 and 673 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 397, 692, 739, 918, 948, 1602 and 1613 were read for the second time.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Rice moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1613 be given its third reading and be placed upon its final passage. The motion prevailed.

Rice moved that the Rules of the House be so far suspended that S. F. No. 1613 be given its third reading and be placed upon its final passage. The motion prevailed.

Rice moved to amend S. F. No. 1613, as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

## Section 1. [APPROPRIATION SUMMARY - ALL ARTICLES.]

	1993	1994	1995	TOTAL
General	\$671,000	\$ 98,138,000	\$ 97,172,000	\$ 195,981,000
Environmental		264,000	264,000	528,000
Trunk Highway		974,000	975,000	1,949,000
Workers' Comp.		21,976,000	15,663,000	37,639,000
Special Revenue Fund		787,000	788,000	1,575,000
TOTAL	671,000	122,139,000	114,862,000	237,672,000

## ARTICLE 2

## Section 1. [COMMUNITY DEVELOPMENT; APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

## SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$ 41,000	\$ 25,657,000	\$ 25,189,000	\$ 50,887,000
Workers' Comp.		21,976,000	15,663,000	37,639,000
TOTAL	41,000	47,633,000	40,852,000	88,526,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

## Sec. 2. LABOR AND INDUSTRY

Subdivision 1. Total Appropriation	26,024,000	19,710,000
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APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

Summary by Fund

General	4,048,000	4,047,000
Workers' Compensation	21,976,000	15,663,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Workers' Compensation Regulation and Enforcement

Summary by Fund

General	100,000	100,000
Workers' Comp.	14,861,000	9,310,000

\$5,000,000 the first year from the special compensation fund is for the Daedalus imaging systems project. This appropriation must not be allotted until the commissioner certifies that all information policy office requirements for this project have been met or will be met. This appropriation is available for either year of the biennium.

\$100,000 in the first year and \$100,000 in the second year are for grants to the Vinland Center for rehabilitation service.

Fee receipts collected as a result of providing direct computer access to public workers' compensation data on file with the commissioner must be credited to the general fund.

Subd. 3. Workplace Services

	5,455,000	4,744,000
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Summary by Fund

General	2,704,000	2,703,000
Workers' Comp.	2,751,000	2,041,000

\$710,000 the first year from the special compensation fund is for litigation of a case for alleged violations of occupational safety and health act (OSHA) ergonomic standards. This appropriation is available for either year of the biennium.

\$444,000 the first year and \$444,000 the second year from the special compensation fund are for the OSHA industrial hygiene activity which is transferred from the department of health.

Subd. 4. General Support

	5,608,000	5,556,000
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Summary by Fund

General	1,244,000	1,244,000
Workers' Compensation	4,364,000	4,312,000

\$204,000 the first year and \$204,000 the second year are for labor education and advancement program grants.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 3. PUBLIC UTILITIES COMMISSION	3,371,000	3,071,000

Notwithstanding Minnesota Statutes, section 216B.243, subdivision 6, for any certificate of need application for expansion of the storage capacity for spent nuclear fuel rods, the commission and department shall assess actual amounts billed by the office of administrative hearings and up to \$300,000 of reasonable costs of the commission and department pursuant to Minnesota Statutes, section 216B.62, subdivision 6, during the biennium, subject to the limitations of Minnesota Statutes, section 216B.62, subdivision 2.

\$282,000 the first year and \$35,000 the second year are for an electronic storage and retrieval system. This appropriation must not be allotted until the chair of the commission certifies that all information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$30,000 the first year is for transfer to the extended area service balloting account in the special revenue fund.

\$41,000 of this appropriation is added to the appropriation in Laws 1991, chapter 233, section 10, and is for extended area service balloting costs.

Sec. 4. PUBLIC SERVICE

Subdivision 1. Total Appropriation

	8,972,000	8,832,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Except for temporary employees in the weights and measures division, the department may employ no more than eight persons in the unclassified service during the biennium. For the biennium, the department shall not employ persons in the classified service who were employed in the unclassified service at the department during fiscal year 1993.

Subd. 2. Telecommunications

730,000	752,000
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Subd. 3. Weights and Measures

2,948,000	2,845,000
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Subd. 4. Information and Operations Management

1,422,000	1,322,000
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\$84,000 the first year is for an electronic imaging system. This appropriation must not be allotted until the commissioner certifies that all of the information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

## Subd. 5. Energy

3,872,000

3,913,000

\$588,000 the first year and \$588,000 the second year are for transfer to the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential oil-fired heating plants in low-income households, and when necessary, to provide weatherization services to the homes.

\$220,000 the first year and \$220,000 the second year are for transfer to the energy and conservation account established by Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential liquified petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Of this appropriation, \$284,000 in the first year and \$326,000 in the second year are for alternative energy engineering activities. In employing persons to perform these activities, the department shall first offer any positions to persons previously employed by the department of public service during fiscal year 1993 in that capacity. No part of this appropriation may be used for outside consulting.

## Subd. 6. Rental Energy Loan and Rebate Program Appropriation

All money, including interest and loan repayments, remaining from the Exxon Oil overcharge money appropriated to the commissioner of public service by Laws 1988, chapter 686, article 1, section 38, that was allocated to the Minnesota housing finance agency is reappropriated to the commissioner for the purposes of this subdivision and is available until spent.

\$1,600,000 is for a contract with an appropriate nonprofit organization, without public bidding, to provide revolving loan funds for a rental energy loan program in metropolitan counties as defined in Minnesota Statutes, section 473.121, subdivision 4. The program is to be marketed and delivered in coordination with other energy services.

The balance is for any purpose consistent with the state energy conservation program.

## Sec. 5. MINNESOTA TECHNOLOGY, INCORPORATED

7,982,000

7,984,000

\$5,195,000 the first year and \$5,197,000 the second year are for transfer from the general fund to the Minnesota Technology, Inc. fund.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$494,000 the first year and \$494,000 the second year are for grants to Minnesota Project Innovation.

\$947,000 the first year and \$947,000 the second year are for grants to Minnesota Project Outreach.

\$71,000 the first year and \$71,000 the second year are for grants to Minnesota Inventors Congress.

\$1,022,000 the first year and \$1,022,000 the second year are for grants to Natural Resources Research Institute.

\$88,000 the first year and \$88,000 the second year are for grants to Minnesota Council for Quality.

\$50,000 the first year and \$50,000 the second year are for grants to Minnesota High Tech Corridor Corporation.

\$75,000 the first year and \$75,000 the second year are for grants to Cold Weather Resource Center.

\$80,000 of this appropriation is for establishment and implementation of a health career youth apprenticeship program for at-risk youth. This appropriation is available until June 30, 1995.

Sec. 6. MINNESOTA WORLD TRADE CENTER  
CORPORATION

200,000

200,000

This appropriation is to pay building operation costs of the Minnesota World Trade Center Corporation. No portion of these funds may be used for Minnesota World Trade Center Corporation salaries or other personnel costs.

Sec. 7. COUNCIL ON BLACK MINNESOTANS

201,000

200,000

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 8. COUNCIL ON AFFAIRS OF SPANISH-SPEAKING  
PEOPLE

224,000

223,000

During the biennium ending June 30, 1995, council publications may contain advertising. Receipts from advertising are appropriated to the council for purposes of council publications.

For the biennium ending June 30, 1995, the council shall report to the legislature on the revenues and expenditures from advertising by February 15 each year.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

By November 15, 1993, the council shall submit a financially related audit to the legislature for the most recent two years and a study of the internal control structure performed by an independent accountant licensed by the state of Minnesota.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 9. COUNCIL ON ASIAN- PACIFIC MINNESOTANS	176,000	175,000

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 10. INDIAN AFFAIRS COUNCIL	483,000	457,000
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For the biennium ending June 30, 1995, federal money received for the Indian affairs council is appropriated to the council and added to this appropriation.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Of this appropriation, \$25,000 in the first year is for planning the development of culturally appropriate legal services to indigent clients or tribal representatives who reside in Hennepin county and are involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901, et seq., or the Minnesota Indian family preservation act, Minnesota Statutes 1992, sections 257.35 to 257.3579. This appropriation is available until expended.

Sec. 11. [RESPONSIBILITIES TRANSFERRED.]

The following responsibilities, as defined in Minnesota Statutes, section 15.039, of the department of public service for the following activities are transferred to the public utilities commission: (1) alternative energy engineering; (2) alternative energy economic analysis; (3) organization of a Minnesota biomass center; (4) design of a comprehensive program for the development of indigenous energy resources; and (5) any alternative energy activities assigned to the department of public service by legislation enacted in 1993. Transfers of responsibilities, functions, appropriations, and personnel under this section are governed by Minnesota Statutes, section 15.039.

Sec. 12. Laws 1991, chapter 345, article 1, section 23, subdivision 2, is amended to read:

Subd. 2. Community Development

19,491,000	18,905,000
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The department of trade and economic development shall examine the community resources program, evaluate the effectiveness of the program, and make recommendations to the appropriate committees of the legislature for necessary improvements. The department shall also study possible expansion of the community resources program into inner-ring suburbs adjoining cities of the first class, and report to the appropriate committees of the legislature by January 1, 1992.

\$377,000 the first year and \$377,000 the second year are for regional planning grants to regional development commissions organized under Minnesota Statutes, sections 462.381 to 462.396.

Until June 30, 1993, for state and federal grants distributed by state agencies to regions of the state not having a regional development commission, the state agency administering the grant program may assess the program for administrative costs incurred by the agency that normally are incurred by the commission.

\$5,517,000 the first year and \$5,517,000 the second year are for economic recovery grants, of which up to \$500,000 may be used to implement the capital access program.

\$5,904,000 the first year and \$5,904,000 the second year are for the targeted neighborhoods revitalization and financing program.

Upon approval by the commissioner of a revitalization program the commissioner shall, within 30 days, pay to the city the amount of state money identified as necessary to implement the revitalization program or program modification.

\$2,791,000 the first year and \$2,791,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

The metropolitan parks and open space commission shall consider the development of a trail that would link the St. Paul waterfront with the Munger trail via Swede Hollow and the abandoned railroad bed running north through St. Paul's East Side. The commission may meet with interested people and representatives of affected groups and shall report back to the senate finance and house appropriations committees by January 1, 1992.

\$2,006,000 the first year and \$2,006,000 the second year are for grants to pay principal and interest due on bonds issued by the city of Minneapolis for the Great River Road Project, the city of St. Paul for the Como Park conservatory, suburban Hennepin regional park district for land acquisition and development, and Washington county for land acquisition and development. These amounts shall be continued in the base and adjusted only for the normal reduction in principal and interest payments.

\$59,000 the first year and \$59,000 the second year are for a grant to the Minnesota High Tech Corridor. The department shall report its progress to the legislature by January 1, 1992.

\$218,000 the first year and \$217,000 the second year are for the small cities federal match.

\$75,000 is for a grant to Itasca county to plan and do other preliminary work for construction of the Itasca Center.

The city of Duluth will not become eligible to receive any funding from the urban revitalization action program until the city formally relinquishes its entitlement status under the federal Community Development Block Grant Program to St. Louis county.

St. Louis county must ensure that the city of Duluth will continue to receive that level of federal Community Development Block Grant Program funding that it would have received if it had remained an entitlement community.

\$98,000 the first year and \$98,000 the second year are for Quality Council grants.

\$500,000 the first year is for transfer to the World Trade Center Corporation to establish an annual medical exposition, trade fair, and health care congress to commence in either 1993 or 1994. ~~This event will be coordinated and held in conjunction with the World Health Organization's annual international conference on children's health care to commence in Minnesota in 1993.~~ The purpose of the appropriation includes the establishment of a support system to assist businesses in promoting Minnesota's medical and health care industries through an annual exposition and trade fair. This appropriation must be used in cooperation with the department of trade and economic development. This appropriation is available only to the extent the World Trade Center Corporation is able to secure an equal amount from nonstate sources to cover the costs of conducting the event. The corporation shall report the results of its efforts to the legislature by June 30, 1993.

Up to \$780,000 may be used to purchase or lease modular furniture and telecommunications associated with the agency's move.

\$250,000 the first year and \$250,000 the second year are for transfer to the commissioner of jobs and training for a wage subsidy program to alleviate summer youth unemployment under new Minnesota Statutes, section 268.552. No more than five percent of this appropriation may be used for administration.

Sec. 13. Minnesota Statutes 1992, section 3.30, subdivision 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The majority leader of the senate or a designee, the chair of the senate committee on finance, and the chair of the senate division of finance responsible for overseeing the items being considered by the commission, the speaker of the house of representatives or a designee, the chair of the house ways and means committee ~~on appropriations~~, and the chair of the finance division of the house ~~appropriations~~ committee responsible for overseeing the items being considered by the commissioner constitute the legislative advisory commission. The division chair of the finance committee in the senate and the division chair of the ~~appropriations~~ appropriate committee in the house shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house membership of the commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house rules committee, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of finance shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item, ~~except that a recommendation under section 298.2213, subdivision 4, or 298.296, subdivision 1, need only be signed by a majority of the members entitled to vote on the item.~~

Sec. 14. Minnesota Statutes 1992, section 216A.05, is amended by adding a subdivision to read:

Subd. 7. [ALTERNATIVE ENERGY PROGRAM.] The commission shall design a comprehensive program for the development of indigenous energy resources. The program shall include, but not be limited to, providing technical, informational, educational, and financial services and materials to persons, businesses, municipalities, and organizations involved in the development of solar, wind, hydropower, peat, fiber fuels, biomass, and other alternative energy resources.

Sec. 15. [216A.051] [ALTERNATIVE ENERGY ENGINEERING ACTIVITY.]

Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commission shall establish an alternative energy engineering activity. The activity shall facilitate

the development of specific projects in the public and private sectors and provide a broad range of information, education, and engineering assistance services necessary to accelerate energy conservation and alternative energy development in the state.

Subd. 2. [DUTIES.] The alternative energy engineering activity shall:

- (1) provide on-site technical assistance for alternative energy and conservation projects;
- (2) develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;
- (3) conduct feasibility studies when the results of the studies would be of benefit to others working in the same area;
- (4) facilitate development of energy projects through assistance in finding financing, meeting regulatory requirements, gaining public and private support, limited technical consultation, and similar forms of assistance; and
- (5) work with and use the services of Minnesota design professionals.

Sec. 16. [216A.052] [ALTERNATIVE ENERGY ECONOMIC ANALYSIS.]

The commission shall carry out the following energy economic analysis duties:

- (1) provide continued analysis of alternative energy issues for certificates of need and legislative requests;
- (2) provide alternative energy information to consumers and business;
- (3) assist in the maintenance and improvement of alternative energy input-output multipliers and market penetration models; and
- (4) provide analysis of alternative energy data.

Sec. 17. [216A.053] [MINNESOTA BIOMASS CENTER.]

Subdivision 1. [CREATION, PURPOSE.] The commission, in consultation with the commissioner of agriculture, may organize a Minnesota biomass center, or may continue the work of a Minnesota biomass center organized by another agency.

The center shall be the focus of biomass energy activities for the state. To the maximum extent possible, the center shall coordinate its activities and the use of its staff and facilities with those of other entities involved in biomass energy projects.

Subd. 2. [DUTIES.] The center shall:

- (1) Coordinate existing education and training programs for biomass energy production and use within the state and develop new programs where necessary. Educational programs shall cover all types of biomass energy production use, including but not limited to production from grain, biowaste, and cellulosic materials;
- (2) Serve as a central information resource in conjunction with existing agencies and academic institutions in order to provide information to the public on the production and use of biomass energy. The center shall obtain and analyze available information on biomass energy topics and prepare it for distribution to ensure that the public receives the most accurate and up-to-date information available;
- (3) Participate in necessary research projects to assist in technological advancement in areas of biomass energy production, distribution, and use. The center shall also study the environmental and safety aspects of biomass energy use;
- (4) Support and coordinate financing activities for biomass energy production, including providing technical assistance and manuals to individuals and groups seeking private, local, state or federal funding. The center shall be responsible for evaluating projects for any state assistance that may become available;

(5) Develop consumer information and protection programs for all aspects of biomass energy production and use;

(6) Investigate marketing and distribution needs within the state;

(7) Review state and federal laws and regulations affecting biomass energy production and use, and evaluate regulatory incentives in order to provide the legislature with legislative proposals for the encouragement of biomass energy production and use within the state.

Sec. 18. Minnesota Statutes 1992, section 216B.62, subdivision 3, is amended to read:

Subd. 3. [ASSESSING ALL PUBLIC UTILITIES.] (a) The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to (1) public utilities under section 216A.085, and sections 216A.05 to 216A.053, 216A.085, and 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or 6 and (2) energy division activities under chapter 216C that are funded from the general fund, except petroleum inspection, testing, and supply monitoring activities.

(b) The remainder amounts calculated in paragraph (a), other than the amounts chargeable to public utilities under subdivision 2 or 6, shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed ~~one-eighth~~ one-fourth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 19. Minnesota Statutes 1992, section 216C.09, is amended to read:

216C.09 [DUTIES.]

The commissioner shall:

(a) manage the department as the central repository within the state government for the collection of data on energy;

(b) prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 216C.05 to 216C.30;

(e) collect and analyze data relating to present and future demands and resources for all sources of energy;

(f) evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 216C.05 to 216C.30, and make recommendations for changes in energy pricing policies and rate schedules;

(g) study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(h) design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(i) inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(j) dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation, resource recovery, or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(k) charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

~~(l) design a comprehensive program for the development of indigenous energy resources. The program shall include, but not be limited to, providing technical, informational, educational, and financial services and materials to persons, businesses, municipalities, and organizations involved in the development of solar, wind, hydropower, peat, fiber fuels, biomass, and other alternative energy resources. The program shall be evaluated by the alternative energy technical activity; and~~

~~(m) dispense loans, grants, or other financial aid from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations made available to the department for that purpose. The commissioner shall adopt rules under chapter 14 for this purpose. Money dispersed under this clause must not include money received as a result of the settlement of the parties and order of the United States District Court for the District of Kansas in the case of In Re Department of Energy Stripper Well Exemption Litigation, 578 F. Supp. 586 (D.Kan. 1983) and all money received after August 1, 1988, by the governor, the commissioner of finance, or any other state agency resulting from overcharges by oil companies in violation of federal law.~~

Further, the commissioner may participate fully in hearings before the public utilities commission on matters pertaining to rate design, cost allocation, efficient resource utilization, utility conservation investments, small power production, cogeneration, and other rate issues. The commissioner shall support the policies stated in section 216C.05 and shall prepare and defend testimony proposed to encourage energy conservation improvements as defined in section 216B.241.

Sec. 20. Minnesota Statutes 1992, section 237.295, subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT OF COSTS.] The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to telephone companies, other than amounts chargeable to telephone companies under subdivision 1 ~~or~~ 5, or 6. The remainder must be assessed by the department to the telephone companies operating in this state in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment must be paid into the state treasury within 30 days after the bill has been mailed to the telephone companies. The bill constitutes notice of the assessment and demand of payment. The total amount that may be assessed to the telephone companies under this subdivision may not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during the calendar year. The assessment for the third quarter of each fiscal year must be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed. A telephone company with gross jurisdictional operating revenues of less than \$5,000 is exempt from assessments under this subdivision.

Sec. 21. Minnesota Statutes 1992, section 237.295, is amended by adding a subdivision to read:

Subd. 6. [EXTENDED AREA SERVICE BALLOTING ACCOUNT; APPROPRIATION.] The extended area service balloting account is created as a separate account in the special revenue fund in the state treasury. The commission shall render separate bills to telephone companies for balloting costs incurred by the commission under section 237.161. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the telephone company into the state treasury within 30 days from the date of assessment. Money received under this subdivision must be credited to the extended area service balloting account and is appropriated to the commission.

Sec. 22. Minnesota Statutes 1992, section 239.011, subdivision 2, is amended to read:

Subd. 2. [DUTIES AND POWERS.] To carry out the responsibilities in section 239.01 and subdivision 1, the director:

(1) shall take charge of, keep, and maintain in good order the standard of weights and measures of the state and keep a seal so formed as to impress, when appropriate, the letters "MINN" and the date of sealing upon the weights and measures that are sealed;

(2) has general supervision of the weights, measures, and weighing and measuring devices offered for sale, sold, or in use in the state;

(3) shall maintain traceability of the state standards to the national standards of the National Institute of Standards and Technology;

(4) shall enforce this chapter;

(5) shall grant variances from department rules, within the limits set by rule, when appropriate to maintain good commercial practices or when enforcement of the rules would cause undue hardship;

(6) shall conduct investigations to ensure compliance with this chapter;

(7) may delegate to division personnel the responsibilities, duties, and powers contained in this section;

(8) shall test annually, and approve when found to be correct, the standards of weights and measures used by the division, by a town, statutory or home rule charter city, or county within the state, or by a person using standards to repair, adjust, or calibrate commercial weights and measures;

(9) shall inspect and test weights and measures kept, offered, or exposed for sale;

(10) shall inspect and test, to ascertain if they are correct, weights and measures commercially used to:

(i) determine the weight, measure, or count of commodities or things sold, offered, or exposed for sale, on the basis of weight, measure, or count; and

(ii) compute the basic charge or payment for services rendered on the basis of weight, measure, or count;

(11) shall approve for use and mark weights and measures that are found to be correct;

(12) shall reject, and mark as rejected, weights and measures that are found to be incorrect and may seize them if those weights and measures:

(i) are not corrected within the time specified by the director;

(ii) are used or disposed of in a manner not specifically authorized by the director; or

(iii) are found to be both incorrect and not capable of being made correct, in which case the director shall condemn those weights and measures;

(13) shall weigh, measure, or inspect packaged commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether they contain the amount represented and whether they are kept, offered, or exposed for sale in accordance with this chapter and department rules. In carrying out this section, the director must employ recognized sampling procedures, such as those contained in National Institute of Standards and Technology Handbook 133, "Checking the Net Contents of Packaged Goods";

(14) shall prescribe the appropriate term or unit of weight or measure to be used for a specific commodity when an existing term or declaration of quantity does not facilitate value comparisons by consumers, or creates an opportunity for consumer confusion;

(15) shall allow reasonable variations from the stated quantity of contents, including variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice, only after the commodity has entered commerce within the state;

(16) shall inspect and test petroleum products in accordance with this chapter and chapter 296;

(17) shall distribute and post notices for used motor oil and lead acid battery recycling in accordance with sections 239.54, 325E.11, and 325E.115; and

(18) shall collect inspection fees in accordance with sections 239.10, ~~239.52, and 239.78~~, and 239.101; and

(19) shall provide metrological services and support to businesses and individuals in the United States who wish to market products and services in the member nations of the European Economic Community, and other nations outside of the United States by:

(i) meeting, to the extent practicable, the measurement quality assurance standards described in the International Standards Organization ISO 9000, Guide 25;

(ii) maintaining, to the extent practicable, certification of the metrology laboratory by a governing body appointed by the European Economic Community; and

(iii) providing calibration and consultation services to metrology laboratories in government and private industry in the United States.

Sec. 23. Minnesota Statutes 1992, section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION; FEE.]

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection must be paid by the owner if the inspection is performed at the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for regular inspections and special services by rule pursuant to section 16A.128, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 239.78 is collected. Money collected by the department for its regular inspections, special services, fees, and penalties must be paid into the state treasury and credited to the state general fund. The director shall inspect all weights and measures annually, or as often as deemed possible within budget and staff limitations.

Sec. 24. [239.101] [INSPECTION FEES.]

Subdivision 1. [FEE SETTING AND COST RECOVERY.] The department shall recover the amount appropriated to the weights and measures program through revenue from two separate fee systems under subdivisions 2 and 3, and according to the fee-setting and cost-recovery requirements in subdivisions 4, 5, and 6.

Subd. 2. [WEIGHTS AND MEASURES FEES.] The director shall charge a fee to the owner for inspecting and testing weights and measures, providing metrology services and consultation, and providing petroleum quality assurance tests at the request of a licensed distributor. Money collected by the director must be paid into the state treasury and credited to the state general fund.

Subd. 3. [PETROLEUM INSPECTION FEE.] A person who owns petroleum products held in storage at a pipeline terminal, river terminal, or refinery shall pay a petroleum inspection fee of 85 cents for every 1,000 gallons sold or withdrawn from the terminal or refinery storage. The commissioner of revenue shall collect the fee. The revenue from the fee must first be applied to cover the amounts appropriated for petroleum product quality inspection expenses, for the inspection and testing of petroleum product measuring equipment, and for petroleum supply monitoring under chapter 216C.

The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report as prescribed by the commissioner of revenue. The commissioner of revenue may collect the inspection fee along with any taxes due under chapter 296.

Subd. 4. [SETTING WEIGHTS AND MEASURES FEES.] The department shall review its schedule of fees every six months. After receiving approval from the commissioner of finance, the commissioner shall set the schedule of fees to ensure that the fees charged are sufficient to recover all costs connected with the inspections and services specified in subdivision 2. The schedule of fees is not subject to chapter 14, except the commissioner may utilize the procedures of section 14.38, subdivision 7. In the alternative, when the fees are adjusted, the commissioner shall

publish a notice in the State Register at least 30 days before implementing the adjusted fee schedule. The notice must include the previous fee schedule, the adjusted fee schedule, and an explanation of the cost basis for adjusting the fees.

Subd. 5. [SETTING PETROLEUM INSPECTION FEE.] The legislature shall set the petroleum inspection fee in subdivision 3. When the department estimates that inspection costs will exceed the revenue from the fee, the commissioner shall prepare a request to increase the fee.

Subd. 6. [COST RECOVERY REQUIREMENTS.] Indirect costs specified in section 16A.126 and department overhead costs and the cost of inspection activities and services not specified in subdivisions 2 and 3 must be equitably apportioned and included in the costs to be recovered by the fees.

Sec. 25. Minnesota Statutes 1992, section 239.80, subdivision 1, is amended to read:

Subdivision 1. [VIOLATIONS; ACTIONS OF DEPARTMENT.] The director, or any delegated employee shall use the methods in section 239.75 to enforce sections 239.10; 239.101, subdivision 3; 239.761; ~~239.78;~~ 239.79; 239.791; and 239.792.

Sec. 26. Minnesota Statutes 1992, section 239.80, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] A person who fails to comply with any provision of section 239.10; 239.101, subdivision 3; 239.761; ~~239.78;~~ 239.79; 239.791; or 239.792, is guilty of a misdemeanor.

Sec. 27. Minnesota Statutes 1992, section 298.2211, subdivision 3, is amended to read:

Subd. 3. [PROJECT APPROVAL.] All projects authorized by this section shall be submitted by the commissioner to the iron range resources and rehabilitation board, which shall recommend approval or disapproval or modification of the projects. ~~Each project shall then be submitted to the legislative advisory committee for any review and comment the committee deems appropriate.~~ Prior to the commencement of a project involving the exercise by the commissioner of any authority of sections 469.174 to 469.179, the governing body of each municipality in which any part of the project is located and the county board of any county containing portions of the project not located in an incorporated area shall by majority vote approve or disapprove the project. Any project, as so approved by the board and the applicable governing bodies, if any, together with ~~any comment provided by the legislative advisory committee,~~ detailed information concerning the project, its costs, the sources of its funding, and the amount of any bonded indebtedness to be incurred in connection with the project, shall be transmitted to the governor, who shall approve, disapprove, or return the proposal for additional consideration within 30 days of receipt. No project authorized under this section shall be undertaken, and no obligations shall be issued and no tax increments shall be expended for a project authorized under this section until the project has been approved by the governor.

Sec. 28. Minnesota Statutes 1992, section 298.2213, subdivision 4, is amended to read:

Subd. 4. [PROJECT APPROVAL.] The board shall by August 1, 1987, and each year thereafter prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

- (1) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (2) the prospective benefits of the expenditure exceed the anticipated costs; and
- (3) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects must be submitted to the ~~legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission must be submitted to the governor, who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project.~~ The money for a project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. ~~Supplemental projects must be submitted to the members of the legislative advisory commission for their review and~~

~~recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by a member is for further review, the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 29. Minnesota Statutes 1992, section 298.223, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATION.] The taconite environmental protection fund shall be administered by the commissioner of the iron range resources and rehabilitation board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the iron range resources and rehabilitation board, this list shall be submitted to the legislative advisory commission for its review. ~~This list with the recommendation of the legislative advisory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the governor. The commissioner may submit supplemental projects for approval at any time. Supplemental projects approved by the board must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 30. Minnesota Statutes 1992, section 298.28, subdivision 7, is amended to read:

Subd. 7. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1989, 1990, and 1991 according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amount distributed per ton shall be the same as the amount distributed per ton in 1991. In 1994, the amount distributed shall be the distribution per ton for 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. That amount shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may be used to provide loans for the operation of private business unless the loan is approved by the governor ~~and the legislative advisory commission.~~

Sec. 31. Minnesota Statutes 1992, section 298.296, subdivision 1, is amended to read:

Subdivision 1. [PROJECT APPROVAL.] The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

- (a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (b) the prospective benefits of the expenditure exceed the anticipated costs; and
- (c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the ~~legislative advisory commission for its review. The list with the recommendation of the legislative~~

~~advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 32. [REPEALER.]

Minnesota Statutes, sections 216C.261; 216C.315; 216C.33; 239.52 and 239.78; are repealed.

ARTICLE 3

Section 1. [STATE GOVERNMENT APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$.....	\$ 44,246,000	\$ 44,039,000	\$ 88,285,000
Environmental		224,000	224,000	448,000
Special Revenue		327,000	328,000	655,000
<b>TOTAL</b>		<b>44,797,000</b>	<b>44,591,000</b>	<b>89,388,000</b>

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 2. SECRETARY OF STATE

Subdivision 1. Total Appropriation 5,048,000 5,057,000

The amounts that may be spent from this appropriation for each activity are specified in the following subdivisions.

Subd. 2. Administration

756,000 756,000

Subd. 3. Operations

3,918,000 3,842,000

Subd. 4. Election Administration

375,000 460,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 3. ETHICAL PRACTICES BOARD	399,000	399,000

Of this appropriation, \$150,000 for the biennium is to meet current statutory requirements and is only available if funds for the same purpose are not appropriated in House File No. 163 or if House File No. 163 is not enacted.

Sec. 4. COMMERCE

Subdivision 1. Total Appropriation	14,418,000	14,438,000
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Summary by Fund

General	13,867,000	13,886,000	
Environmental	224,000	224,000	
Special Revenue	327,000	328,000	

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Financial Examinations

	5,954,000	6,089,000
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Subd. 3. Registration and Analysis

	2,661,000	2,523,000
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Subd. 4. Petroleum Tank Release Cleanup Board

	224,000	224,000
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This appropriation is from the petroleum tank release cleanup account in the environmental fund for administration.

Subd. 5. Administrative Services

	2,139,000	2,173,000
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Subd. 6. Enforcement and Licensing

	3,440,000	3,429,000
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Summary by Fund

General	3,113,000	3,101,000	
Special Revenue	327,000	328,000	

\$327,000 the first year and \$328,000 the second year are from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6. If the appropriation from the special revenue fund for either year is insufficient, the appropriation for the other year is available for it.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
<b>Sec. 5. NON-HEALTH-RELATED BOARDS</b>		
Subdivision 1. Total for this section	1,247,000	1,232,000
Subd. 2. Board of Accountancy	466,000	474,000
Subd. 3. Board of Architecture, Engineering, Land Surveying, Landscape Architecture, and Interior Design	591,000	568,000
Subd. 4. Board of Barber Examiners	126,000	126,000
Subd. 5. Board of Boxing	64,000	64,000
<b>Sec. 6. MINNESOTA HISTORICAL SOCIETY</b>		
Subdivision 1. Total Appropriation	18,339,000	18,169,000
<p>The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.</p> <p>The Minnesota historical society is eligible for a salary supplement in the same manner as state agencies. The commissioner of finance will determine the amount of the salary supplement based on available appropriations. Employees of the Minnesota historical society will be paid in accordance with the appropriate pay plan.</p>		
Subd. 2. Public Programs and Operations	11,203,000	11,203,000
Subd. 3. Statewide Outreach	722,000	682,000
<p>\$40,000 is for grant-in-aid purposes of the St. Anthony Falls Heritage Board in accordance with Minnesota Statutes, section 138.763. Grants may be made for public improvements to assist and provide information to the public and construct historic markers and monuments. The matching requirements for the grants may be established by the St. Anthony Falls Heritage Board.</p>		
Subd. 4. Repair and Replacement	450,000	450,000
Subd. 5. Physical Plant	5,574,000	5,583,000
Subd. 6. Fiscal Agent	390,000	251,000
(a) Sibley House Association		
	88,000	88,000

This appropriation is available for operation and maintenance of the Sibley house and related buildings on the Old Mendota state historic site owned by the Sibley house association.

Notwithstanding any other law, the Sibley house association may purchase fire, wind, hail, and vandalism insurance, and insurance coverage for fine art objects from this appropriation.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

## (b) Minnesota International Center

48,000 47,000

## (c) Minnesota Military Museum

29,000

## (d) Minnesota Air National Guard Museum

19,000

## (e) Institute for Learning and Teaching

66,000 66,000

This appropriation is for Project 120.

## (f) Moose Lake Fire and Heritage Museum

25,000

This appropriation is for a grant to the Carlton county historical society to be used by the Onanegozie resource conservation and development council for the development of the Moose Lake Fire and Heritage Museum. This appropriation may not be spent unless it is matched by an equal amount from local sources. The legislature intends that no further direct appropriation will be made for this purpose.

## (g) Nurse Statue

65,000

This appropriation is for a grant to the Marine Corps Coordinating Council for the nurse statue to be located in the atrium of the Veterans Affairs Medical Center in Minneapolis. This appropriation is available until June 30, 1995.

## (h) Farmamerica

50,000 50,000

## (i) Balances Forward

Any unencumbered balance remaining in this subdivision the first year does not cancel but is available for the second year of the biennium.

Sec. 7. MINNESOTA HUMANITIES COMMISSION

242,000

242,000

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 8. BOARD OF THE ARTS

Subdivision 1. Total Appropriation 4,760,000 4,749,000

Any unencumbered balance remaining in this section the first year does not cancel but is available for the second year of the biennium.

Subd. 2. Operations and Services 711,000 699,000

Subd. 3. Grants Program 2,636,000 2,636,000

Subd. 4. Regional Arts Councils 1,413,000 1,413,000

Sec. 9. MINNESOTA MUNICIPAL BOARD 319,000 280,000

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

Sec. 10. UNIFORM LAWS COMMISSION 25,000 25,000

Sec. 11. [LABOR INTERPRETIVE CENTER; INITIAL BOARD OF DIRECTORS.]

Of the initial appointments to the labor interpretive center board, two members appointed by the governor and the member appointed by the mayor of St. Paul must have two-year initial terms. The initial board of directors must be appointed no later than August 1, 1993.

Sec. 12. [LABOR INTERPRETIVE CENTER; TRANSFER OF APPROPRIATIONS.]

Subdivision 1. [UNENCUMBERED BALANCE.] The unencumbered balance of the appropriation for the labor interpretive center project transferred to the capitol area architectural and planning board in Laws 1991, chapter 345, is transferred to the labor interpretive center account.

Subd. 2. [PROJECT AUTHORIZED BY 1990 LEGISLATURE.] The appropriation in Laws 1990, chapter 610, article 1, section 16, subdivision 4, is transferred to the labor interpretive center account.

Sec. 13. Minnesota Statutes 1992, section 10A.21, subdivision 1, is amended to read:

Subdivision 1. All reports or statements that must be filed with the board by the principal campaign committee of legislative candidates and statements of economic interest filed by candidates for and members of the legislature shall be ~~duplicated and filed by the board with the auditor of each county in which the legislative district lies within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed~~ provided to the appropriate county auditor upon request.

Sec. 14. Minnesota Statutes 1992, section 10A.322, subdivision 4, is amended to read:

Subd. 4. [REFUND RECEIPT FORMS; PENALTY.] The board shall make available at cost to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that (1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23, and (2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section. The forms must provide duplicate copies of the receipt to be attached to the contributor's claim. A candidate who does not sign an agreement under this section and who willfully issues an official refund receipt form or a facsimile of one to any of the candidate's contributors is guilty of a misdemeanor.

Sec. 15. Minnesota Statutes 1992, section 10A.322, is amended by adding a subdivision to read:

Subd. 5. [MONEY TO OPERATING ACCOUNT.] All money paid pursuant to this section must be deposited into the board's operating account.

Sec. 16. Minnesota Statutes 1992, section 15.50, subdivision 2, is amended to read:

Subd. 2. [CAPITOL AREA PLAN.] (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, ~~herein called the area in this subdivision, which shall initially consist~~ consists of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street extended to a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the centerline of the intersection of Old Kellogg Boulevard and Summit Avenue, thence northeasterly along the centerline of Summit Avenue to the ~~south line of the right-of-way of the Fifth Street ramp, thence southeasterly along the right-of-way of the Fifth Street ramp to the center line of the new West Kellogg Boulevard, thence southerly along the east line of the new West Kellogg Boulevard, to the center line of West Seventh Street, thence northeasterly along the center line of West Seventh Street to the center line of the Fifth Street ramp, thence northwesterly along the center line of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the west line of Cedar Street, thence southeasterly along the west line of Cedar Street to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. If construction of the labor interpretive center does not commence prior to December 31, 1996, at the site recommended by the board, the boundaries of the capitol area revert to their configuration as of 1992. Pursuant to Under the comprehensive plan, or any a portion thereof of it, the board may regulate, by means of zoning rules adopted pursuant to under the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty, and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty, and architectural integrity of the area. No person ~~shall~~ may undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtaining a zoning permit from the board, and receiving a written certification from the board specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.~~

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. The commissioner shall make studies and report the results to the board when ~~they request~~ it requests reports for ~~their~~ its planning purpose.

(c) No public building, street, parking lot, or monument, or other construction ~~shall~~ may be built or altered on any public lands within the area unless the plans for the ~~same conforms~~ project conform to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall must show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall may be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, ~~which that~~ may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such A competition shall must be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota, and the board may award one or more premiums in each such competition and may pay such the costs and fees as that may be required for the its conduct thereof. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided such the plans have been considered by the advisory committee described in clause paragraph (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board shall may not adopt any plan under clause paragraph (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee shall may not be contestants under clause (e). The comments and criticism shall must be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose,

(1) the committee shall must be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same data are developed or in the process of preparation, whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area, and a copy of any such data prepared by any public employee or agency shall must be filed with the board promptly upon completion;

(2) The board may employ such stenographic or technical help as that may be reasonable to assist the committee to perform its duties;

(3) When so directed by the board, the committee may serve as, and any member or members ~~thereof of the~~ committee may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee; ~~and.~~

(4) The city of Saint Paul shall advise the board.

(g) The comprehensive plan for the area shall must be developed and maintained in close cooperation with the commissioner of trade and economic development and the planning department and the council for the city of Saint Paul, and the board of the arts, and no such plan or amendment ~~thereof shall of a plan may~~ be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration, jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance, and cleanliness of the public and ceremonial areas of the state capitol building. ~~Pursuant to this power,~~ The board shall consult with and receive advice from the director of the Minnesota state historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed ~~as herein provided shall be~~ under this paragraph are binding upon the commissioner of administration. The provisions of sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45 shall do not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase, or eminent domain proceedings any real property situated in the area described in this section, and it shall may also have the power to acquire an interest less than a fee simple interest in the property, if it finds that ~~it~~ the property is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and ~~acts amendatory thereof~~ amendments to it.

(l) The board shall meet at the call of the chair and at such other times as it may prescribe.

(m) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs, of which ~~such~~ a part as that the commissioner of administration and commissioner of veterans affairs may mutually determine ~~shall~~ must be on the first floor above the ground, and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available, to ~~such~~ other state departments and agencies as the commissioner may deem desirable.

Sec. 17. Minnesota Statutes 1992, section 16A.128, subdivision 2, is amended to read:

Subd. 2. [NO RULEMAKING.] The kinds of fees that need not be fixed by rule unless specifically required by law are:

- (1) fees based on actual direct costs of a service;
- (2) one-time fees;
- (3) fees that produce insignificant revenues;
- (4) fees billed within or between state agencies;
- (5) fees exempt from commissioner approval; ~~or~~
- (6) fees for admissions to or use of facilities operated by the iron range resources and rehabilitation board, if the fees are set according to prevailing market conditions to recover operating costs; or
- (7) fees established by the Minnesota historical society.

Sec. 18. Minnesota Statutes 1992, section 16A.28, is amended by adding a subdivision to read:

Subd. 6. [EXCEPTIONS.] Except as provided by law, an appropriation made to the Minnesota historical society, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance remaining at the end of a biennium lapses and shall be returned to the fund from which appropriated. An appropriation made to the society for all or part of a biennium may be spent in either year of the biennium.

Sec. 19. Minnesota Statutes 1992, section 16A.72, is amended to read:

16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;

(5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;

(6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;

(7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;

(8) as provided in sections 16B.57 and 85.22; or

(9) income to the Minnesota historical society; or

(10) as otherwise provided by law.

Sec. 20. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

Subd. 2a. [BROKER PAYMENT CONSOLIDATION.] For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.34, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single check.

Sec. 21. [138A.01] [LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.]

Subdivision 1. [ESTABLISHMENT.] The labor interpretive center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.

Subd. 2. [PURPOSE.] The purpose of the labor interpretive center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.

Subd. 3. [BOARD OF DIRECTORS.] The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:

(1) three directors appointed by the governor;

(2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;

(3) three directors appointed by the speaker of the house of representatives; and

(4) three directors appointed by the subcommittee on committees of the senate committee on rules and administration.

Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups.

The board shall select a chair of the board from its members, and any other officers of the board deemed necessary. No more than five of the members may be of one gender.

Subd. 4. [LOCATION.] The center must be located in the capital area of St. Paul as defined in section 15.50, subdivision 2, at the site recommended by the capitol area architectural and planning board.

Subd. 5. [MEETINGS OF THE BOARD.] The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to section 471.705.

Subd. 6. [CONFLICT OF INTEREST.] A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.

Subd. 7. [TORT CLAIMS.] The center is a state agency for purposes of section 3.736.

Sec. 22. [138A.02] [CENTER PERSONNEL.]

Subdivision 1. [GENERALLY.] The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.

Subd. 2. [STATUS OF EMPLOYEES.] Employees of the center are executive branch state employees.

Sec. 23. [138A.03] [POWERS; DUTIES; BOARD; CENTER.]

Subdivision 1. [GENERAL POWERS.] The board has the powers necessary for the care, management, and direction of the center. The powers include: (1) overseeing the planning and construction of the center as funds are available; (2) leasing a temporary facility for the center during development of its organization and program; and (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.

Subd. 2. [DUTIES.] The center is a state agency for purposes of the following accounting and budgeting requirements:

- (1) financial reports and other requirements under section 16A.06;
- (2) the state budget system under sections 16A.095, 16A.10, and 16A.11;
- (3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and
- (4) indirect costs under section 16A.127.

Subd. 3. [PROGRAM.] The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools. The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota historical society, and other cultural institutions.

Subd. 4. [BOARD OF GOVERNORS.] The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.

Sec. 24. [138A.04] [LABOR INTERPRETIVE CENTER ACCOUNT.]

The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state board of investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.

Sec. 25. [138A.05] [AUDITS.]

The center is subject to the auditing requirements of sections 3.971 and 3.972.

Sec. 26. [138A.06] [ANNUAL REPORTS.]

The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.

Sec. 27. Minnesota Statutes 1992, section 345.41, is amended to read:

345.41 [REPORT OF ABANDONED PROPERTY.]

(a) Every person holding funds or other property, tangible or intangible, presumed abandoned under sections 345.31 to 345.60 shall report annually to the commissioner with respect to the property as hereinafter provided.

(b) The report shall be verified and shall include:

(1) except with respect to traveler's checks and money orders, the name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of any property of the value of ~~\$25~~ \$100 or more presumed abandoned under sections 345.31 to 345.60;

(2) in case of unclaimed funds of life insurance corporations, the full name of the policyholder, insured or annuitant and that person's last known address according to the life insurance corporation's records;

(3) the nature and identifying number, if any, or description of the property and the amount appearing from the records to be due, except that items of value under ~~\$25~~ \$100 each may be reported in aggregate;

(4) the date when the property became payable, demandable or returnable, and the date of the last transaction with the owner with respect to the property; and

(5) other information which the commissioner prescribes by rule as necessary for the administration of sections 345.31 to 345.60.

(c) If the person holding property presumed abandoned is a successor to other persons who previously held the property for the owner, or if the holder has changed a name while holding the property, the holder shall file with the report all prior known names and addresses of each holder of the property.

(d) The report shall be filed before November 1 of each year as of June 30 next preceding, but the report of life insurance corporations shall be filed before October 1 of each year as of December 31 next preceding. The commissioner may postpone the reporting date upon written request by any person required to file a report.

(e) If the holder of property presumed abandoned under sections 345.31 to 345.60 knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, inform the owner of the steps necessary to prevent abandonment from being presumed.

(f) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer, and if made by a public corporation, by its chief fiscal officer.

(g) Holders of property described in section 345.32 shall not impose any charges against property which is described in section 345.32, clause (a), (b) or (c).

(h) Any person who has possession of property which the person has reason to believe will be reportable in the future as unclaimed property may, with the permission of the commissioner, report and deliver such property prior to the date required for reporting in accordance with this section.

Sec. 28. Minnesota Statutes 1992, section 345.42, subdivision 2, is amended to read:

Subd. 2. [NOTICE PUBLISHED, CONTENTS.] The published notice shall be entitled "notice of names of persons appearing to be owners of abandoned property," and shall contain:

(a) the names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice within the county as hereinbefore specified;

(b) a statement that information concerning the amount or description of the property and the name and address of the holder may be obtained by any persons possessing an interest in the property by addressing an inquiry to the commissioner; and

(c) a statement that if proof of claim is not presented by the owner to the holder and if the owner's right to receive the property is not established to the holder's satisfaction within 65 days from the date of the second published notice, the abandoned property will be placed not later than 85 days after such publication date in the custody of the commissioner to whom all further claims must thereafter be directed.

The commissioner is not required to publish in such notice any item of less than ~~\$25~~ \$100 unless the commissioner deems such publication to be in the public interest.

Sec. 29. Minnesota Statutes 1992, section 345.42, subdivision 3, is amended to read:

Subd. 3. [NOTICE MAILED, CONTENTS.] On or before April 1 of each year, the commissioner may mail a notice to each person having an address listed therein who appears to be entitled to property of the value of ~~\$25~~ \$100 or more presumed abandoned under sections 345.31 to 345.60. Said notice shall contain:

(a) a statement that, according to a report filed with the commissioner, property is being held to which the addressee appears entitled;

(b) the name and address of the person holding the property and any necessary information regarding changes of name and address of the holder; and

(c) a statement that, if satisfactory proof of claim is not presented by the owner to the holder by the date specified in the published notice, the property will be placed in the custody of the commissioner to whom all further claims must be directed.

Sec. 30. Minnesota Statutes 1992, section 359.01, subdivision 3, is amended to read:

Subd. 3. [FEES.] The fee for each commission shall not exceed \$40. All fees shall be retained by the commissioner and shall be nonreturnable except that an overpayment of any fee shall be the subject of a refund upon proper application.

Sec. 31. Minnesota Statutes 1992, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT.]

~~A notary commissioned under section 359.01 holds office for six years, unless sooner removed by the governor or the district court. Before entering upon the duties of office, a newly commissioned notary shall file the notary's oath of office with the secretary of state. Within 30 days before the expiration of the commission a notary may be reappointed for a new term to commence and to be designated in the new commission as beginning upon the day immediately following the date of the expiration. The reappointment takes effect and is valid although the appointing governor may not be in the office of governor on the effective day.~~

Subdivision 1. [EXPIRATION IN 1995.] Notary commissions issued before January 3, 1995, expire on January 31, 1995.

Subd. 2. [SIX-YEAR LICENSING PERIOD.] Notary commissions issued after January 31, 1995, expire at the end of the licensing period that will end every sixth year following January 31, 1995.

Subd. 3. [PARTIAL LICENSING PERIODS.] Notary commissions issued during a licensing period expire at the end of that period as set forth in this section.

Sec. 32. Minnesota Statutes 1992, section 386.61, is amended by adding a subdivision to read:

Subd. 4. "Commissioner" means the commissioner of commerce.

Sec. 33. Minnesota Statutes 1992, section 386.65, is amended to read:

386.65 [EXAMINATION OF APPLICANTS FOR LICENSE.]

Subdivision 1. Applications for a license shall be made to the ~~board~~ commissioner and shall be upon a form to be prepared by the ~~board~~ commissioner and contain such information as may be required by it. Upon receiving such application, the ~~board~~ commissioner shall fix a time and place for the examination of such applicant. Notice of such examination shall be given to the applicant by certified mail, who shall thereon take the examination pursuant to such notice. The examination shall be conducted by the ~~board~~ commissioner under such rules as the ~~board~~ commissioner may prescribe, and such rules shall prescribe that the applicant must show qualification by experience, education or training to qualify as being capable of performing the duties of an abstracter whose work will be for the use and protection of the public. If application is made by a firm or corporation, one of the members or managing officials thereof shall take such examination. If the applicant successfully passes the examination and complies with all the

provisions of sections 386.61 to 386.76, the ~~board~~ commissioner shall ~~cause its executive secretary to~~ issue a license to the applicant.

Sec. 34. Minnesota Statutes 1992, section 386.66, is amended to read:

386.66 [BOND OR ABTRACTER'S LIABILITY INSURANCE POLICY.]

Before a license shall be issued, the applicant shall file with the ~~board~~ commissioner a bond or abstractor's liability insurance policy to be approved by the ~~chair or executive secretary~~ commissioner, running to the state of Minnesota in the penal sum of at least \$100,000 conditioned for the payment by such abstractor of any damages that may be sustained by or accrue to any person by reason of or on account of any error, deficiency or mistake arising wrongfully or negligently in any abstract, or continuation thereof, or in any certificate showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, made by and issued by such abstractor, provided however, that the aggregate liability of the surety to all persons under such bond shall in no event exceed the amount of such bond. In any county having more than 200,000 inhabitants the bond or insurance policy required herein shall be in the penal sum of at least \$250,000. Applicants having cash or securities or deposit with the state of Minnesota in an amount equal to the said bond or insurance policy shall be exempt from furnishing the bond or an insurance policy herein required but shall be liable to the same extent as if a bond or insurance policy has been given and filed. The bond or insurance policy required hereunder shall be written by some surety or other company authorized to do business in this state issuing bonds or abstractor's liability insurance policies and shall be issued for a period of one or more years, and renewed for one or more years at the date of expiration as principal continues in business. The aggregate liability of such surety on such bond or insurance policy for all damages shall, in no event, exceed the sum of said bond or insurance policy.

Sec. 35. Minnesota Statutes 1992, section 386.67, is amended to read:

386.67 [LICENSED ABTRACTER, SEAL.]

A licensed abstractor furnishing abstracts of title to real property under the provisions hereof shall provide a seal, which seal shall show the name of such licensed abstractor, and shall file with the ~~executive secretary of the board~~ commissioner an impression of or copy made by such seal and the signatures of persons authorized to sign certificates on abstracts and continuations of abstracts and certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, issued by such licensed abstractor.

Sec. 36. Minnesota Statutes 1992, section 386.68, is amended to read:

386.68 [FEES.]

~~For The services specified in sections 386.61 to 386.76 following fees shall be set by the board must be paid to the commissioner: an examination fee of \$25; an initial licensing fee of \$50; and a license renewal fee of \$40.~~

Sec. 37. Minnesota Statutes 1992, section 386.69, is amended to read:

386.69 [LICENSES.]

Licenses issued by ~~said board~~ the commissioner under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and the license shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstractor of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. The license shall be issued for a period as determined by the ~~board~~ commissioner, and shall thereafter be renewed upon conditions prescribed by the ~~board~~ commissioner.

Sec. 38. [386.705] [ADMINISTRATIVE ACTIONS AND PENALTIES.]

An abstractor licensed under sections 386.61 to 386.76 is subject to the penalties imposed pursuant to section 45.027. The commissioner has all the powers provided in section 45.027 and shall proceed in the manner provided by that section in actions against abstractors.

Sec. 39. [386.706] [RULES.]

The commissioner may adopt rules necessary for the administration of sections 386.61 to 386.76.

Sec. 40. [TRANSFER OF POWERS.]

The powers and duties of the board of abstracters under Minnesota Statutes, sections 386.61 to 386.76 are transferred to the commissioner of commerce. Minnesota Statutes, section 15.039, subdivisions 1 to 6, apply to this transfer.

Sec. 41. [REVISOR INSTRUCTION.]

The revisor shall change the terms "board," "executive secretary," "board of abstracters," or similar terms to "commissioner," "commissioner of commerce," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules.

Sec. 42. [REPEALER.]

Minnesota Statutes 1992, sections 10A.21, subdivisions 2 and 3; 138.97; 386.61, subdivision 3; 386.63; 386.64; and 386.70, are repealed.

ARTICLE 4

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

	APPROPRIATIONS Available for the Year Ending June 30	
	1994	1995
Section 1. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE	3,908,000	3,880,000

\$3,880,000 the first year and \$3,880,000 the second year is appropriated directly to the agricultural utilization research institute to recognize its autonomy as an independent entity.

\$28,000 the first year is appropriated from the general fund for a grant to the southwest regional development commission to pay for the planning and final system design for connecting four rural water systems to the federal Lewis and Clark Rural Water System. Any funds not spent in the first year may be spent in the second year.

ARTICLE 5

Section 1. [CRIME PREVENTION APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

## SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$630,000	\$ 24,327,000	\$ 24,064,000	\$ 49,021,000
Special Revenue		460,000	460,000	920,000
Trunk Highway		974,000	975,000	1,949,000
Environmental		40,000	40,000	80,000
TOTAL	630,000	25,801,000	25,539,000	51,970,000

 APPROPRIATIONS  
 Available for the Year  
 Ending June 30

1994	1995
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## Sec. 2. PUBLIC SAFETY

Subdivision 1. Total Appropriation	25,734,000	25,472,000
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## Summary by Fund

General	24,260,000	23,997,000
Special	460,000	460,000
Environmental	40,000	40,000
Trunk Highway	974,000	975,000

## Subd. 2. Emergency Management

2,005,000	1,941,000
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## Summary by Fund

General	1,965,000	1,901,000
Environmental	40,000	40,000

## Subd. 3. Criminal Apprehension

14,647,000	14,461,000
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## Summary by Fund

General	13,213,000	13,026,000
Special Revenue	460,000	460,000
Trunk Highway	974,000	975,000

\$200,000 the first year and \$200,000 the second year are for use by the bureau of criminal apprehension for the purpose of investigating cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$366,000 the first year and \$366,000 the second year from the bureau of criminal apprehension account in the special revenue fund are for laboratory activities.

\$94,000 the first year and \$94,000 the second year from the bureau of criminal apprehension account in the special revenue fund are for

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$25,000 in fiscal year 1994 and \$25,000 in fiscal year 1995 are appropriated from the general fund to the commissioner of public safety to reimburse local correctional agencies for costs incurred to comply with section 6.

Of this appropriation, \$110,000 in fiscal year 1994 and \$100,500 in fiscal year 1995 are for the implementation of the seven-day fingerprint identification service.

Of this appropriation, \$174,600 in fiscal year 1994 and \$152,100 in fiscal year 1995 are for the costs of addressing workload increases in maintaining the BCA's computerized criminal history data system.

Of this appropriation, \$129,200 in fiscal year 1994 and \$99,120 in fiscal year 1995 are for the costs of addressing workload increases in maintaining the criminal justice data communications network.

Of this appropriation, \$125,000 is for the development of a community data model for state, county, and local criminal justice information systems.

\$50,000 in fiscal year 1994 and \$47,200 in fiscal year 1995 are appropriated from the general fund for transfer to the supreme court for the costs of addressing workload increases in maintaining the supreme court information system.

Subd. 4. Fire Marshal

2,495,000	2,481,000
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Subd. 5. Capitol Security

1,420,000	1,420,000
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Subd. 6. Liquor Control

636,000	636,000
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Subd. 7. Gambling Enforcement

1,131,000	1,133,000
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Subd. 8. Drug Policy and Violence Prevention

1,494,000	1,494,000
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Subd. 9. Crime Victims Services

1,835,000	1,835,000
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APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Notwithstanding any other law to the contrary, the crime victims reparations board shall, to the extent possible, distribute the appropriation in equal monthly increments. In no case shall the total awards exceed the appropriation made in this subdivision.

Subd. 10. Crime Victims Ombudsman

71,000 71,000

Subd. 11. Deficiency Appropriation

\$630,000 is appropriated from the general fund to the commissioner of public safety for fiscal year 1993. Of this appropriation, \$545,000 is to match federal funds, for tornado damage in Southwestern Minnesota as provided by Presidential Disaster Declaration DSR946, awarded on June 22, 1992, and \$85,000 is to match federal funds for winter storm damage as provided by Presidential Disaster Declaration DSR929, awarded December 26, 1991.

Sec. 3. PRIVATE DETECTIVE AND PROTECTIVE AGENT  
SERVICES BOARD

67,000 67,000

Sec. 4. Minnesota Statutes 1992, section 168.345, is amended by adding a subdivision to read:

Subd. 3. [REQUESTS FOR INFORMATION; SURCHARGE ON FEE.] The commissioner shall impose a surcharge of 25 cents on each fee charged by the commissioner under section 13.03, subdivision 3, for copies or electronic transmittal of public information concerning motor vehicle registrations. The commissioner shall forward the surcharges collected under this subdivision to the commissioner of finance on a monthly basis. Upon receipt, the commissioner of finance shall credit the surcharges to the general fund.

Sec. 5. Minnesota Statutes 1992, section 171.12, is amended by adding a subdivision to read:

Subd. 8. [REQUESTS FOR INFORMATION; SURCHARGE ON FEE.] The commissioner shall impose a surcharge of 25 cents on each fee charged by the commissioner under section 13.03, subdivision 3, for copies or electronic transmittal of public information concerning driver's license and Minnesota identification card applicants. The commissioner shall forward the surcharges collected under this subdivision to the commissioner of finance on a monthly basis. Upon receipt, the commissioner of finance shall credit the surcharges to the general fund.

Sec. 6. Minnesota Statutes 1992, section 241.021, subdivision 1, is amended to read:

Subdivision 1. [SUPERVISION OVER CORRECTIONAL INSTITUTIONS.] (1) The commissioner of corrections shall inspect and license all correctional facilities throughout the state, whether public or private, established and operated for the detention and confinement of persons detained or confined therein according to law except to the extent that they are inspected or licensed by other state regulating agencies. The commissioner shall promulgate pursuant to chapter 14, rules establishing minimum standards for these facilities with respect to their management, operation, physical condition, and the security, safety, health, treatment, and discipline of persons detained or confined therein. Commencing September 1, 1980, no individual, corporation, partnership, voluntary association, or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. The commissioner shall annually review the correctional facilities described in this subdivision, except as otherwise provided herein, to determine compliance with the minimum standards established pursuant to this subdivision. The commissioner shall grant a license to any facility found to conform to minimum standards or to any facility which, in the commissioner's judgment, is making satisfactory progress toward substantial conformity and the interests and well-being of the persons detained or confined therein are protected. The commissioner shall have access to the buildings, grounds, books, records, staff, and to persons detained or confined in these facilities. The commissioner may require the officers in charge of these facilities to furnish all information

and statistics the commissioner deems necessary, at a time and place designated by the commissioner. The commissioner may require that any or all such information be provided through the department of corrections detention information system.

(2) Any state agency which regulates, inspects, or licenses certain aspects of correctional facilities shall, insofar as is possible, ensure that the minimum standards it requires are substantially the same as those required by other state agencies which regulate, inspect, or license the same aspects of similar types of correctional facilities, although at different correctional facilities.

(3) Nothing in this section shall be construed to limit the commissioner of corrections' authority to promulgate rules establishing standards of eligibility for counties to receive funds under sections 401.01 to 401.16, or to require counties to comply with operating standards the commissioner establishes as a condition precedent for counties to receive that funding.

(4) When the commissioner finds that any facility described in clause (1), except foster care facilities for delinquent children and youth as provided in subdivision 2, does not substantially conform to the minimum standards established by the commissioner and is not making satisfactory progress toward substantial conformance, the commissioner shall promptly notify the chief executive officer and the governing board of the facility of the deficiencies and order that they be remedied within a reasonable period of time. The commissioner may by written order restrict the use of any facility which does not substantially conform to minimum standards to prohibit the detention of any person therein for more than 72 hours at one time. When, after due notice and hearing, the commissioner finds that any facility described in this subdivision, except county jails and lockups as provided in sections 641.26, 642.10, and 642.11, does not conform to minimum standards, or is not making satisfactory progress toward substantial compliance therewith, the commissioner may issue an order revoking the license of that facility. After revocation of its license, that facility shall not be used until its license is renewed. When the commissioner is satisfied that satisfactory progress towards substantial compliance with minimum standard is being made, the commissioner may, at the request of the appropriate officials of the affected facility supported by a written schedule for compliance, grant an extension of time for a period not to exceed one year.

(5) As used in this subdivision, "correctional facility" means any facility, including a group home, having a residential component, the primary purpose of which is to serve persons placed therein by a court, court services department, parole authority, or other correctional agency having dispositional power over persons charged with, convicted, or adjudicated to be guilty or delinquent.

Sec. 7. Minnesota Statutes 1992, section 299C.10, is amended to read:

299C.10 [IDENTIFICATION DATA.]

Subdivision 1. [LAW ENFORCEMENT DUTY.] It is hereby made the duty of the sheriffs of the respective counties and of the police officers in cities of the first, second, and third classes, under the direction of the chiefs of police in such cities, to take or cause to be taken immediately finger and thumb prints, photographs, and such other identification data as may be requested or required by the superintendent of the bureau; of all persons arrested for a felony, gross misdemeanor, of all juveniles committing felonies as distinguished from those committed by adult offenders, of all persons reasonably believed by the arresting officer to be fugitives from justice, of all persons in whose possession, when arrested, are found concealed firearms or other dangerous weapons, burglar tools or outfits, high-power explosives, or articles, machines, or appliances usable for an unlawful purpose and reasonably believed by the arresting officer to be intended for such purposes, and within 24 hours thereafter to forward such fingerprint records and other identification data on such forms and in such manner as may be prescribed by the superintendent of the bureau of criminal apprehension.

Subd. 2. [LAW ENFORCEMENT EDUCATION.] The sheriffs and police officers who take finger and thumb prints must obtain training in the proper methods of taking and transmitting finger prints under this section consistent with bureau requirements.

Subd. 3. [BUREAU DUTY.] The bureau must enter in the criminal records system finger and thumb prints within five working days after they are received under this section.

## Sec. 8. [299C.65] [CRIMINAL AND JUVENILE JUSTICE INFORMATION POLICY GROUP.]

Subdivision 1. [ESTABLISHING GROUP.] The criminal and juvenile information policy group consists of the chair of the sentencing guidelines commission, the commissioner of corrections, the commissioner of public safety, and the state court administrator.

The policy group shall study and make recommendations to the governor, the supreme court, and the legislature on:

(1) a framework for integrated criminal justice information systems, including the development and maintenance of a community data model for state, county, and local criminal justice information;

(2) the responsibilities of each entity within the criminal and juvenile justice systems concerning the collection, maintenance, dissemination, and sharing of criminal justice information with one another;

(3) actions necessary to ensure that information maintained in the criminal justice information systems is accurate and up-to-date;

(4) the development of an information system containing criminal justice information on felony-level juvenile offenders that is part of the integrated criminal justice information system framework;

(5) the development of an information system containing criminal justice information on misdemeanor arrests, prosecutions, and convictions that is part of the integrated criminal justice information system framework;

(6) comprehensive training programs and requirements for all individuals in criminal justice agencies to ensure the quality and accuracy of information in those systems;

(7) continuing education requirements for individuals in criminal justice agencies who are responsible for the collection, maintenance, dissemination, and sharing of criminal justice data;

(8) a periodic audit process to ensure the quality and accuracy of information contained in the criminal justice information systems;

(9) the equipment, training, and funding needs of the state and local agencies that participate in the criminal justice information systems;

(10) the impact of integrated criminal justice information systems on individual privacy rights; and

(11) the impact of proposed legislation on the criminal justice system, including any fiscal impact, need for training, changes in information systems, and changes in processes.

Subd. 2. [REPORT.] The policy group shall file an annual report with the governor, supreme court, and legislature by December 1 of each even-numbered year.

The report must make recommendations concerning any legislative changes or appropriations that are needed to ensure that the criminal justice information systems operate accurately and efficiently. To assist them in developing their recommendations, the chair, the commissioners, and the administrator shall appoint a task force consisting of the members of the criminal and juvenile justice information policy group or their designees and the following additional members:

(1) the director of the office of strategic and long-range planning;

(2) two sheriffs recommended by the Minnesota sheriffs association;

(3) two police chiefs recommended by the Minnesota chiefs of police association;

(4) two county attorneys recommended by the Minnesota county attorneys association;

(5) two city attorneys recommended by the Minnesota league of cities;

- (6) two public defenders appointed by the board of public defense;
- (7) two district judges appointed by the conference of chief judges, one of whom is currently assigned to the juvenile court;
- (8) two community corrections administrators recommended by the Minnesota association of counties, one of whom represents a community corrections act county;
- (9) two probation officers;
- (10) two public members, one of whom has been a victim of crime;
- (11) two court administrators;
- (12) two members of the house of representatives appointed by the speaker of the house; and
- (13) two members of the senate appointed by the majority leader.

Subd. 3. [CONTINUING EDUCATION PROGRAM.] The criminal and juvenile information policy group shall explore the feasibility of developing and implementing a continuing education program for state, county, and local criminal justice information agencies. The policy group shall consult with representatives of public and private post-secondary institutions in determining the most effective manner in which the training shall be provided. The policy group shall include recommendations in the 1994 report to the legislature.

Subd. 4. [CRIMINAL CODE NUMBERING SCHEME.] The policy group shall study and make recommendations on a structured numbering scheme for the criminal code to facilitate identification of the offense and the elements of the crime and shall include recommendations in the 1994 report to the legislature."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for community development, certain agencies of state government, and crime prevention, with certain conditions; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; eliminating or transferring certain agency powers and duties; requiring studies and reports; amending Minnesota Statutes 1992, sections 3.30, subdivision 2; 10A.21, subdivision 1; 10A.322, subdivision 4, and by adding a subdivision; 15.50, subdivision 2; 16A.128, subdivision 2; 16A.28, by adding a subdivision; 16A.72; 82.21, by adding a subdivision; 168.345, by adding a subdivision; 171.12, by adding a subdivision; 216A.05, by adding a subdivision; 216B.62, subdivision 3; 216C.09; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.80, subdivisions 1 and 2; 241.021, subdivision 1; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; 298.296, subdivision 1; 299C.10; 345.41; 345.42, subdivisions 2 and 3; 359.01, subdivision 3; 359.02; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; Laws 1991, chapter 345, article 1, section 23; proposing coding for new law in Minnesota Statutes, chapters 138A; 216A; 239; 299C; 386; repealing Minnesota Statutes 1992, sections 10A.21, subdivisions 2 and 3; 138.97; 216C.261; 216C.315; 216C.33; 239.52; 239.78; 386.61, subdivision 3; 386.63; 386.64; and 386.70."

The motion prevailed and the amendment was adopted.

Frerichs moved to amend S. F. No. 1613, as amended, as follows:

Delete article 1, sections 11, 14, 15, 16, 17, and 19

Page 27, line 18, delete everything after "sections"

Renumber the remaining sections

A roll call was requested and properly seconded.

The question was taken on the Frerichs amendment and the roll was called. There were 47 yeas and 75 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Frerichs moved to amend S. F. No. 1613, as amended, as follows:

Page 14, delete section 18 and renumber the remaining sections

A roll call was requested and properly seconded.

The question was taken on the Frerichs amendment and the roll was called. There were 51 yeas and 73 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, I.	Bergson	Dawkins	Greenfield	Johnson, R.	Krueger	McCollum
Anderson, R.	Brown, K.	Delmont	Greiling	Kalis	Lasley	McGuire
Asch	Carlson	Dorn	Huntley	Kelley	Lieder	Milbert
Battaglia	Carruthers	Evans	Jacobs	Kelso	Lourey	Mosel
Bauerly	Clark	Farrell	Jaros	Kinkel	Mahon	Munger
Beard	Cooper	Garcia	Johnson, A.	Klinzing	Mariani	Murphy

Neary	Orenstein	Perlt	Rukavina	Solberg	Tunheim	Spk. Long
Nelson	Orfield	Pugh	Sarna	Sparby	Vellenga	
Olson, E.	Osthoff	Reding	Sekhon	Steensma	Wagenius	
Olson, K.	Ostrom	Rice	Simoneau	Tomassoni	Wejzman	
Opatz	Pelowski	Rodosovich	Skoglund	Trimble	Winter	

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

Frerichs moved to amend S. F. No. 1613, as amended, as follows:

Page 4, delete lines 29 to 38

A roll call was requested and properly seconded.

The question was taken on the Frerichs amendment and the roll was called. There were 47 yeas and 81 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Frerichs moved to amend S. F. No. 1613, as amended, as follows:

Page 5, line 30, delete everything after the period

Page 5, delete lines 31 to 38

A roll call was requested and properly seconded.

The question was taken on the Frerichs amendment and the roll was called. There were 45 yeas and 84 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Sviggum moved to amend S. F. No. 1613, as amended, as follows:

Page 6, delete section 6 and renumber the remaining sections

Adjust fund totals accordingly

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment and the roll was called. There were 47 yeas and 83 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, I.	Bauerly	Brown, K.	Cooper	Dorn	Garcia	Hausman
Anderson, R.	Beard	Carlson	Dauner	Evans	Greenfield	Huntley
Asch	Bertram	Carruthers	Dawkins	Farrell	Greiling	Jacobs
Battaglia	Brown, C.	Clark	Delmont	Frerichs	Hasskamp	Jaros

Jefferson	Kinkel	Mariani	Nelson	Pugh	Simoneau	Vellenga
Jennings	Klinzing	McCollum	Olson, E.	Reding	Skoglund	Wagenius
Johnson, A.	Krueger	McGuire	Olson, K.	Rest	Solberg	Wejcman
Johnson, R.	Lasley	Milbert	Opatz	Rice	Sparby	Welle
Kahn	Lieder	Mosel	Orenstein	Rodosovich	Steensma	Wenzel
Kalis	Lourey	Munger	Ostrom	Rukavina	Tomassoni	Winter
Kelley	Luther	Murphy	Perlt	Sarna	Trimble	Spk. Long
Kelso	Mahon	Neary	Peterson	Sekhon	Tunheim	

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

Ness was excused between the hours of 2:55 p.m. and 3:10 p.m.

Sviggum and Swenson moved to amend S. F. No. 1613, as amended, as follows:

Page 6, line 51, delete "SPANISH-SPEAKING" and insert "MEXICANO/CHICANO AND LATINO"

Page 8, after line 3, insert:

"Sec. 12. [REVISOR'S INSTRUCTION.]

The revisor of statutes is directed to change the terms "council on affairs of Spanish-speaking people" or "Spanish-speaking person" to the "council on affairs of Mexicano/Chicano and Latino people" or "Mexicano/Chicano or Latino person," respectively, where found in Minnesota Statutes, section 3.9223 and elsewhere in statutes."

Page 11, after line 19, insert:

"Sec. 15. Minnesota Statutes 1992, section 3.9223, is amended by adding a subdivision to read:

Subd. 8. [OFFICIAL NAME.] In all written or oral reports, publications, documents, and statements, the state government and its political subdivisions, agencies, and officials shall use the term "Mexicano/Chicano and Latino people" as defined in subdivision 9 to refer to the people covered by that definition.

Sec. 16. Minnesota Statutes 1992, section 3.9223, is amended by adding a subdivision to read:

Subd. 9. [MEXICANO/CHICANO AND LATINO PEOPLE.] The term "Mexicano/Chicano people" means people who are of Mexican origin and born in the United States or Mexico. "Latino people" means people of Latin origin and born in the United States or one of the Latin countries of Central or South America, Puerto Rico, Cuba or the Dominican Republic."

Page 27, line 18, after "sections" insert "3.9223, subdivision 2;"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Sviggum and Swenson amendment and the roll was called. There were 31 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Frerichs	Hugoson	Limmer	Molnau	Pauly
Commers	Dempsey	Girard	Johnson, V.	Lindner	Olson, M.	Pawlenty
Davids	Erhardt	Gutknecht	Knickerbocker	Lynch	Ornen	Rhodes

Smith Stanius	Sviggum Swenson	Van Dellen Vickerman	Weaver Wolf	Worke Workman
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Those who voted in the negative were:

Anderson, I.	Carruthers	Hasskamp	Kelso	McGuire	Perlt	Steensma
Anderson, R.	Clark	Haukoos	Kinkel	Milbert	Peterson	Tomassoni
Asch	Cooper	Hausman	Klinzing	Mosel	Pugh	Tompkins
Battaglia	Dauner	Holsten	Koppendraye	Munger	Reding	Trimble
Bauerly	Dawkins	Huntley	Krinkie	Murphy	Rice	Tunheim
Beard	Delmont	Jacobs	Lasley	Neary	Rodosovich	Vellenga
Bergson	Dorn	Jaros	Leppik	Nelson	Rukavina	Wagenius
Bertram	Evans	Jefferson	Lieder	Olson, E.	Sarna	Waltman
Bettermann	Farrell	Jennings	Lourey	Olson, K.	Seagren	Wejzman
Bishop	Garcia	Johnson, A.	Luther	Opatz	Sekhon	Welle
Blatz	Goodno	Johnson, R.	Macklin	Orenstein	Simoneau	Wenzel
Brown, C.	Greenfield	Kahn	Mahon	Osthoff	Skoglund	Winter
Brown, K.	Greiling	Kalis	Mariani	Ostrom	Solberg	Spk. Long
Carlson	Gruenes	Kelley	McCollum	Pelowski	Sparby	

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

S. F. No. 1613, A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 92 yeas and 39 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Dehler	Goodno	Holsten	Krinkie	Macklin	Ozment
Bettermann	Erhardt	Gruenes	Hugoson	Limmer	Molnau	Pauly
Blatz	Frerichs	Gutknecht	Knickerbocker	Lindner	Olson, M.	Pawlenty
Commers	Girard	Haukoos	Koppendraye	Lynch	Onnen	Seagren

Smith  
StaniusSviggum  
SwensonTompkins  
Van DellenWaltman  
WeaverWolf  
Worke

Workman

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

## SECOND READING OF SENATE BILLS, Continued

S. F. No. 1620 was read for the second time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Krueger moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1620 be given its third reading and be placed upon its final passage. The motion prevailed.

Krueger moved that the Rules of the House be so far suspended that S. F. No. 1620 be given its third reading and be placed upon its final passage. The motion prevailed.

Krueger moved to amend S. F. No. 1620, as follows:

Delete everything after the enacting clause and insert:

### "ARTICLE 1

#### Section 1. [APPROPRIATION SUMMARY - ALL ARTICLES.]

	1993	1994	1995	TOTAL
General	\$500,000	\$ 249,520,000	\$ 239,865,000	\$ 489,385,000
Environmental		301,000	301,000	602,000
Highway User		1,794,000	1,794,000	3,588,000
Local Government				
Trust		430,000	430,000	860,000
State Government				
Special Revenue		250,000	250,000	500,000
Special Revenue		8,703,000	8,781,000	17,484,000
Trunk Highway		2,499,000	2,499,000	4,998,000
Workers' Compensation		3,897,000	3,902,000	7,799,000
Game and Fish		140,000	140,000	280,000
Minnesota Resources		500,000	-0-	500,000
<b>TOTAL</b>		<b>268,034,000</b>	<b>257,962,000</b>	<b>525,996,000</b>

### ARTICLE 2

#### Section 1. [STATE GOVERNMENT; APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.



APPROPRIATIONS  
 Available for the Year  
 Ending June 30  
 1994 1995

## (a) Legislative Reference Library

1994	1995
903,000	874,000

## (b) Revisor of Statutes

4,044,000	4,463,000
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## (c) Great Lakes Commission

40,000	40,000
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## (d) Legislative Commission on the Economic Status of Women

180,000	175,000
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## (e) Legislative Commission on Employee Relations

106,000	104,000
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## (f) Legislative Commission on Pensions and Retirement

504,000	524,000
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## (g) Legislative Commission on Planning and Fiscal Policy

57,000	56,000
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The second 50 percent of the appropriation to the department of finance for the statewide systems project is available only if the commissioner of finance seeks and receives a recommendation from the legislative commission on planning and fiscal policy on the degree to which the project will improve legislative access to information on the systems. Failure of the commission to make a recommendation within 30 days of the commissioner's request shall be considered a positive recommendation. The commissioner shall seek a recommendation no later than October 1, 1993.

The legislative commission on planning and fiscal policy shall appoint a working group to work with the department of finance to facilitate improved legislative access to executive branch budgeting and accounting information that is public data.

## (h) Legislative Commission to Review Administrative Rules

136,000	134,000
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## (i) Legislative Commission on Waste Management

179,000	177,000
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## (j) Legislative Water Commission

99,000	99,000
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APPROPRIATIONS  
Available for the Year  
Ending June 30

1994	1995
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The legislative water commission shall report to the legislature by March 1, 1994, on water supply constraints in the area to be served by the Lewis and Clark Rural Water System.

(k) Mississippi River Parkway Commission

32,000	32,000
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This appropriation is from the trunk highway fund.

(l) Legislative Coordinating Commission -  
General Support

273,000	267,000
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(m) Legislative Coordinating Commission -  
Nongeneral Support

438,000	501,000
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\$86,000 the first year and \$86,000 the second year are appropriated to fund joint house of representatives and senate subcommittee or task force projects. Projects funded from this appropriation must involve both the house and senate, be temporary in nature, and focus on key policy issues facing the legislature. The legislative coordinating commission shall develop a project selection process for this appropriation.

\$70,300 the first year and \$71,800 the second year are reserved for unanticipated costs of agencies in this subdivision and subdivision 5. The legislative coordinating commission may transfer necessary amounts from this appropriation to the appropriations of the agencies concerned, and the amounts transferred are appropriated to those agencies to be spent by them. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$95,100 the first year and \$98,500 the second year are for the state contribution to the National Conference of State Legislatures.

\$82,800 the first year and \$86,800 the second year are for the state contribution to the Council of State Governments.

The legislative coordinating commission shall make a general reduction of \$283,000 in either year of the biennium from the legislative commissions. None of the reduction may be taken from the legislative auditor, the legislative audit commission, or the legislative commission on employee relations.

Subd. 5. Legislative Audit Commission

4,021,000	4,019,000
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The amounts that may be spent from this appropriation for each activity are as follows:

(a) Legislative Audit Commission

15,000	15,000
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APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

(b) Legislative Auditor

4,006,000 4,004,000

\$175,000 the first year and \$175,000 the second year is for review of agency performance reports.

Subd. 6. In recognition of efforts to restrain public expenditures, the legislature will continue, for a third year, to freeze the salaries of legislators and constitutional officers. The salary increases for legislators and constitutional officers recommended in 1989 by the compensation council to take effect January 6, 1992, must not take effect until January 1, 1994. The percentage increase that shall take effect at that time is one-half the percentage increase recommended by the compensation council in 1989.

Sec. 3. STATE TREASURER 2,382,000 2,383,000

\$1,135,000 each year is for the treasurer to pay for banking services by fees rather than by compensating balances.

Sec. 4. INVESTMENT BOARD 2,013,000 2,031,000

\$50,000 each year is for costs related to administration of deferred compensation programs.

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Sec. 5. ADMINISTRATIVE HEARINGS 3,797,000 3,802,000

This appropriation is from the workers' compensation special compensation fund for considering workers' compensation claims.

\$100,000 each year is for an internship program in which students at Minnesota law schools will serve as law clerks for judges in the workers' compensation division.

\$180,000 each year is for additional clerical support for workers' compensation judges.

Sec. 6. ADMINISTRATION

Subdivision 1. Total Appropriation 28,316,000 28,324,000

Summary by Fund

General 19,613,000 19,543,000  
Special Revenue 8,703,000 8,781,000

Subd. 2. Operations Management

4,823,000 4,645,000

Before purchasing and implementing electronic data interchange technology in the procurement process, the department must:

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

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(1) plan a reengineering of the process and develop a plan for implementing the reengineering; (2) develop policies and procedures on trading partner agreements for the project; (3) complete a life cycle analysis; and (4) develop a technology implementation plan. All plans and policies in this paragraph must be approved by the information policy office before hardware or software for the project is purchased.

The department shall assure that the EDI project is coordinated with the statewide systems project. The department shall involve affected state agencies and others in project planning and implementation.

Amounts appropriated for the EDI initiative may be spent in either year of the biennium.

The department of administration may use up to \$150,000 of the appropriation for agency relocation, consolidation, and colocation in Laws 1991, chapter 345, article 1, section 17, subdivision 4, to pay the department's portion of the settlement in Sylvester Brothers v. Burlington Northern, et. al., for clean-up of the East Bethel landfill.

The department of human services shall transfer \$33,000 each year to the department of administration to expand bulk purchasing of medical supplies for the medical assistance program.

Subd. 3. Intertechnologies Group

Summary by Fund

General	1,077,000	873,000
Special Revenue	4,160,000	4,160,000

The appropriation from the special revenue fund each year of \$4,160,000 is for recurring costs of 911 emergency telephone service.

\$2,000,000 must be transferred from the intertechnology revolving fund to the general fund.

A general reduction of \$250,000 each year must be made in the telecommunications office.

Notwithstanding any other law to the contrary, the commissioner of administration may, with the approval of the commissioner of finance, make loans from an internal service or enterprise fund to another internal service or enterprise fund.

Subd. 4. Facilities Management

8,700,000	8,860,000
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\$4,485,000 the first year and \$4,484,000 the second year are for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

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The department of administration shall deposit a check from the Johns Manville Trust in the amount of \$302,749 in the asbestos abatement account in the state building fund.

Subd. 5. Administrative Management

Summary by Fund

General	4,478,000	4,556,000
Special Revenue	62,000	62,000

\$2,000 the first year and \$2,000 the second year are for the state employees' band.

A biennial appropriation of \$124,000 to the commissioner of administration shall be used for processing and oversight of grants and allocations in the oil overcharge program. This appropriation is from oil overcharge money, as defined in Minnesota Statutes, section 4.071, in the special revenue fund.

\$1,271,000 the first year and \$1,272,000 the second year are for matching grants for public television. \$600,000 the first year and \$600,000 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota public television association. Special emphasis shall be given by public television grant recipients for children's programming such as the Sesame Street pre-school educational program and extending Mr. Rogers Neighborhood to child care.

\$300,000 the first year and \$300,000 the second year are for operational grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 129D.14.

\$331,000 the first year and \$331,000 the second year are for equipment grants to public radio stations. These grants must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

If an appropriation for either year for grants to public television or radio stations is not sufficient, the appropriation for the other year is available for it.

\$80,000 each year is for transfer to the bureau of mediation services for the office of dispute resolution.

Subd. 6. Management Analysis

535,000	609,000
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Subd. 7. General Reduction

(100,000)	(100,000)
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This reduction may be taken in either year of the biennium.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 7. INFORMATION POLICY OFFICE	1,861,000	1,888,000

\$181,000 the first year and \$185,000 the second year must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A, in order to fund the local government records program and the intergovernmental information systems activity.

\$115,000 the first year and \$90,000 the second year are for giving opinions under Minnesota Statutes, section 13.072.

Sec. 8. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

	251,000	252,000
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Any unencumbered balance of the appropriation for the first year does not cancel and is available for use in the second year.

Sec. 9. FINANCE

Subdivision 1. Total Appropriation

	24,187,000	19,607,000
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Summary by Fund

General	24,082,000	19,502,000
Local Government Trust	105,000	105,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Economic Analysis

	289,000	300,000
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Subd. 3. Accounting Services

	19,018,000	15,711,000
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\$10,300,000 the first year and \$7,700,000 the second year are for the statewide systems project. If the appropriation for the statewide systems project in either year is insufficient, the appropriation for the other year is available.

\$285,000 is for transfer by August 1, 1993, to the legislative commission on planning and fiscal policy for the purpose of improving legislative access to executive branch budgeting and accounting information. None of the other money appropriated in this section for the statewide systems project may be spent until the transfer to the legislative commission on planning and fiscal policy has occurred.

The budgeting and accounting portions of the statewide systems project must be designed so that all public data in these systems are available to the legislature at the time the data are available to executive branch agencies.

APPROPRIATIONS  
Available for the Year  
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1994

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The commissioner of finance, in consultation with affected agencies, shall re-engineer work processes in preparation for the new state accounting, purchasing, and personnel systems.

The commissioner shall develop a joint work plan with the department of administration to implement electronic data interchange. The commissioner shall prepare plans for migrating to open systems, and shall develop plans for an automated interface with the local government financial system. The commissioner must submit these plans to the information policy office for review and approval.

\$4,640,000 in the first year and \$3,869,000 in the second year are for implementation of the accounts receivable project. Within these amounts, the commissioner of finance is authorized to transfer funds to the department of human services, revenue, and office of the attorney general for the purposes of the project. Any encumbered balances remaining in the first year from this appropriation shall not cancel, but shall be available for the second year of the biennium.

Subd. 4. Budget Analysis and Operations

	2,134,000	2,192,000
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Summary by Fund

General	2,029,000	2,087,000
Local Government Trust	105,000	105,000

By October 1, 1994, the commissioner of finance shall coordinate the preparation of a report which identifies the estimated direct and indirect budget savings anticipated from the enacted funding of investment initiatives within the fiscal year 1994-1995 budget. The report shall identify current and estimated future funding requirements as well as direct and indirect benefits by year covering the current and two future biennia. The commissioner shall subsequently report to the legislative commission on planning and fiscal policy by November 1 of each year documented costs and savings compared to original estimates. Each agency shall retain responsibility for monitoring and documenting savings. If actual savings and benefits vary from original estimates, the report must include agency plans to ensure ongoing savings.

Subd. 5. Cash and Debt Management

	1,544,000	126,000
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\$1,422,000 the first year is for grants to the cities of Minneapolis and St. Paul for debt service payments due on bonds issued for metropolitan area parks.

Subd. 6. Management and Administrative Services

	1,302,000	1,378,000
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APPROPRIATIONS  
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Ending June 30

1994 1995

Subd. 7. General Reduction

(100,000) (100,000)

This reduction may be taken in either year of the biennium.

Sec. 10. EMPLOYEE RELATIONS

Subdivision 1. Total Appropriation

6,593,000 6,578,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Human Resources Management

6,439,000 6,426,000

\$375,000 the first year and \$370,000 the second year is to begin implementation of the human resource management project recommendations regarding performance management system training, retraining project grants, centralized recruitment and redeployment, communications, and policy development.

Seventy percent of the amount used each year to fund grants to the government training service must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A.

State agencies must demonstrate that they cannot use available staff before hiring outside consultants or services. Where outside consultants and services are necessary, agencies are encouraged to negotiate contracts that will involve permanent staff so as to upgrade and maximize training of state personnel. Money spent on outside consultants must be reported on a biennial basis to the senate finance and house of representatives ways and means committees.

In order to maximize the delivery of services to the public, if layoffs of state employees as defined in Minnesota Statutes, chapter 43A, are necessary, the agency shall make every effort to reduce at least the same percentage of management and supervisory personnel as line and support personnel for the biennium ending June 30, 1995.

Subd. 3. Employee Insurance

Summary by Fund

General 204,000 204,000

\$1,520,000 the first year and \$1,408,000 the second year from the general fund are for workers' compensation reinsurance premiums and the right to know contracts administered through the employee insurance division.

Any refund to the state from the workers' compensation reinsurance association before July 1, 1995, is to be deposited in a separate

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994 1995

account in the general fund. The account is to be credited with interest earnings, and any balance in the account is appropriated to the commissioner of employee relations for payment of premiums for coverage through the workers' compensation reinsurance association. Any balance in the account at the end of a fiscal year does not cancel, but is available in the following year.

\$100,000 each year is for a health promotion and disease prevention grant program for state agencies. A state agency may apply to the commissioner of employee relations for a grant of up to \$25,000. In evaluating grant applications, the commissioner shall give highest priority to proposals that will maximize health care cost savings, maximize increased productivity, and minimize workers compensation claims.

Each agency that receives a grant under this section must establish a committee that includes affected employees. The committee must assist the agency in planning, implementing, and evaluating the programs implemented with grant funds.

The commissioner of employee relations must report to the legislature by January 15, 1996. The report must evaluate the results of the grant program, including the effect of the program on health care costs, workers' compensation claims, and productivity.

Subd. 4. General Reduction

(50,000) (50,000)

This reduction may be taken in either year of the biennium.

Sec. 11. BENEFITS SUPPLEMENT

Subdivision 1. Appropriations

In order to pay potential increases in employee paid insurance benefits during the biennium, the following amounts are appropriated.

Summary by Fund

General	3,750,000	3,750,000
Game and Fish	140,000	140,000
Trunk Highway	1,000,000	1,000,000

In addition to the amounts appropriated above, the amounts necessary to pay potential increases in employer paid insurance benefits during the biennium are appropriated from the other various funds in the state treasury from which salaries are paid, subject to a limit on the total amount for these funds of \$1,110,000 for each year of the biennium. The appropriations are made to the commissioner of finance for the years ending June 30, 1994 and June 30, 1995, to be distributed proportionally to departments according to employer paid insurance benefits costs for the year ending June 30, 1993. In the case that salaries are paid from one fund, but that

APPROPRIATIONS  
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1994 1995

fund is reimbursed by another fund, the amounts necessary to make those reimbursements are also appropriated.

Subd. 2. Increases Covered

The state paid insurance benefit increases covered by this section are those paid to classified and unclassified employees and officers in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota historical society, state university system, and community college system who are paid from the state appropriations. The increases must be authorized by current law, be authorized by appropriate resolution for employees of the legislature, or result from collective bargaining agreements and changes in employer paid insurance benefits associated with those agreements which are given interim approval by the legislative commission on employee relations under Minnesota Statutes, sections 3.855 and 43A.18 or 179A.22, subdivision 4.

By January 1, 1994, the commissioner of employee relations must assess any increases covered by this section and certify the amount necessary for each agency. During the biennium, the commissioner of finance shall transfer the necessary amounts to the proper accounts and shall promptly notify the house of representatives ways and means committee and the senate finance committee of the amount transferred to each appropriation account. Any appropriation balance remaining the first year shall not cancel, but shall be available the second year.

Sec. 12. REVENUE

Subdivision 1. Total Appropriation	63,984,000	64,394,000
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Summary by Fund

General	61,899,000	62,309,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000
Local Government		
Trust	325,000	325,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Income Tax System

31,242,000	31,677,000
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\$3,975,000 each year is to improve direct services to taxpayers, expand individual and small business audit and nonfiler detection, and to provide ongoing development and support for new return filing and payment technologies.

Subd. 3. Withholding Tax System

4,656,000	4,644,000
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APPROPRIATIONS  
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1994 1995

Subd. 4. Sales and Use Tax System

22,133,000 22,105,000

Summary by Fund

General	20,073,000	20,045,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000
Local Government Trust	300,000	300,000

Subd. 5. Property Tax System

6,053,000 6,068,000

Summary by Fund

General	6,028,000	6,043,000
Local Government Trust	25,000	25,000

\$55,000 the first year and \$55,000 the second year must be subtracted from the total taconite production tax revenues distributed to local units of government. These amounts shall be credited to the general fund and appropriated to the department of revenue for the costs and expenses incurred by the department in collecting and distributing taconite production tax revenues.

\$100,000 each year is subtracted from the property tax system.

Subd. 6. General Reduction

(100,000) (100,000)

This reduction may be taken in either year of the biennium.

Subd. 7. Reporting

The commissioner shall report quarterly to the chairs of the senate finance and tax committees and house of representatives ways and means and tax committees and to the commissioner of finance on all funds expended and corresponding revenues received in the audit and collection divisions.

Sec. 13. AMATEUR SPORTS COMMISSION 451,000 451,000

\$15,000 each year is available for promotion of women's sports.

Sec. 14. MILITARY AFFAIRS

Subdivision 1. Total Appropriation 9,237,000 9,238,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

APPROPRIATIONS  
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Ending June 30

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Subd. 2. Enlistment Incentives

2,339,000 2,339,000

\$1,530,750 the first year and \$1,604,250 the second year are for the tuition reimbursement program.

This paragraph applies to a member of the Minnesota national guard killed after January 1, 1993 and before May 1, 1993 in the line of state active service or federally funded state active service as defined in Minnesota Statutes, section 190.05, subdivision 5b. The post-secondary tuition reimbursement program under Minnesota Statutes, section 192.501, subdivision 2, applies to the surviving spouse and any surviving dependents, who are 23 years or younger, of the member.

\$484,250 the first year and \$410,750 the second year are for the reenlistment bonus program.

Obligations for the reenlistment bonus program, suspended on December 31, 1991, shall be paid from the amounts available within the entire enlistment incentives program.

If appropriations for either year of the biennium are insufficient, the appropriation from the other year is available. The appropriations for enlistment incentives are available until expended.

Subd. 3. Maintenance of Training Facilities

5,361,000 5,362,000

The appropriation for planning and remodeling grants for 12 armories scheduled to be sold or disposed of pursuant to Laws 1992, chapter 511, article 2, section 50, is available until expended.

Subd. 4. General Support

1,537,000 1,537,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 15. VETERANS OF FOREIGN WARS 31,000 31,000

For carrying out the provisions of Laws 1945, chapter 455.

Sec. 16. MILITARY ORDER OF THE PURPLE HEART 10,000 10,000

Sec. 17. DISABLED AMERICAN VETERANS 12,000 12,000

For carrying out the provisions of Laws 1941, chapter 425.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 18. GENERAL CONTINGENT ACCOUNTS	870,000	870,000

The appropriations in this section must be spent with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

General	195,000	195,000
State Government		
Special Revenue	250,000	250,000
Workers'		
Compensation	100,000	100,000
Trunk Highway	200,000	200,000
Highway User Tax		
Distribution	125,000	125,000

Sec. 19. TORT CLAIMS	903,000	903,000
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Summary by Fund

General	303,000	303,000
Trunk Highway	600,000	600,000

To be spent by the commissioner of finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 20. MINNESOTA STATE RETIREMENT SYSTEM	2,200,000	2,200,000
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The amounts estimated to be needed for each program are as follows:

(a) Legislators

	2,000,000	2,000,000
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Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.11.

(b) Constitutional Officers

	200,000	200,000
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Under Minnesota Statutes, sections 352C.031, subdivision 5; 352C.04, subdivision 3; and 352C.09, subdivision 2.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 21. MINNEAPOLIS EMPLOYEES RETIREMENT FUND	11,005,000	11,005,000
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\$10,455,000 the first year and \$10,455,000 the second year are to the commissioner of finance for payment to the Minneapolis employees

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

retirement fund under Minnesota Statutes, section 422A.101, subdivision 3. Payment must be made in four equal installments, March 15, July 15, September 15, and November 15, each year.

\$550,000 the first year and \$550,000 the second year are to the commissioner of finance for payment to the Minneapolis employees retirement fund for the supplemental benefit for pre-1973 retirees under Minnesota Statutes, section 356.865.

Sec. 22. POLICE AND FIRE AMORTIZATION AID

3,956,000

6,056,000

\$2,925,444 the first year and \$5,055,000 the second year are to the commissioner of revenue for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, under Minnesota Statutes, section 423A.02.

Pursuant to Laws 1989, chapter 319, article 19, section 7, subdivision 4, the amortization and supplemental state aid otherwise payable to the city of Minneapolis must be reduced by \$2,129,556 in fiscal year 1994.

\$1,000,000 the first year and \$1,000,000 the second year are to the commissioner of revenue for supplemental state aid to amortize the unfunded liability of local police and salaried firefighters relief associations under Minnesota Statutes, section 423A.02, subdivision 1a.

Sec. 23. [BASE CUT TRANSFERS.]

For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.

Sec. 24. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this article to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this article to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [CONSTITUTIONAL OFFICERS.] A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the committee on ways and means of the house of representatives before making a transfer under subdivision 1.

Subd. 3. [TRANSFER PROHIBITED.] If an amount is specified in this article for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 25. [3.196] [AUDITS.]

The state auditor shall audit the expenses of the legislature for fiscal year 1993 and from the completion of the last audit. The state auditor shall audit the expenses of the legislature after the close of each fiscal biennium thereafter.

Sec. 26. Minnesota Statutes 1992, section 3.971, is amended by adding a subdivision to read:

Subd. 3. The legislative auditor, on a biennial schedule, shall review agency performance reports to review and comment on the appropriateness, validity, and reliability of the outcome measures and data collection efforts. The legislative auditor shall report the findings to agencies, the governor, the speaker of the house of representatives, and the president of the senate.

Sec. 27. Minnesota Statutes 1992, section 3A.02, is amended by adding a subdivision to read:

Subd. 5. [OPTIONAL ANNUITIES.] (a) The board of directors shall establish an optional retirement annuity in the form of a joint and survivor annuity and an optional retirement annuity in the form of a period certain and life thereafter. These optional annuities are to be available only to legislators who elect to receive retirement annuities under section 356.30 and who do not meet the legislative length of service requirements under section 3A.02, subdivision 1, paragraph (a), clause (1). Except as provided in paragraph (b), these optional annuity forms must be actuarially equivalent to the normal annuity computed under section 3A.02, without the automatic survivor coverage under section 3A.04.

(b) If a retired legislator selects the joint and survivor annuity option under paragraph (a), the retired legislator must receive a normal single-life annuity if the designated optional annuity beneficiary dies before the retired legislator and no reduction may be made in the annuity to provide for restoration of the normal single-life annuity in the event of the death of the designated optional annuity beneficiary.

(c) For legislators who meet the legislative length of service requirements under section 3A.02, subdivision 1, paragraph (a), clause (1), the board of directors shall establish an optional retirement annuity in the form of a 100 percent joint and survivor annuity and an optional annuity in the form of an annuity payable for a period certain and for life thereafter. The annuity form must be actuarially equivalent to the normal annuity including, but not in addition to, the value of any benefit payable as provided in section 3A.04.

Sec. 28. [11A.075] [DISCLOSURE OF EXPENSE REIMBURSEMENT.]

(a) A member or employee of the state board must annually disclose expenses paid for or reimbursed by: (1) each investment advisor, consultant, or outside money manager under contract to the state board; (2) each investment advisor, consultant, or outside money manager that has bid on a contract offered by the state board during that year; and (3) each business, including officers or employees of the business, in which the state board has invested money under the board's control during the annual reporting period. The disclosure requirement of this paragraph does not apply to expenses or reimbursements from an investment advisor, consultant, money manager or business if the board member or employee received less than \$50 during the annual reporting period from that person or entity.

(b) For purposes of this section, expenses include payments or reimbursements for meals, entertainment, transportation, lodging, and seminars.

(c) The disclosure required by this section must be filed with the ethical practices board by April 15 each year. Each disclosure report must cover the previous calendar year. The statement must be on a form provided by the ethical practices board. An individual who fails to file the form required by this section or who files false information, is subject to penalties specified in sections 10A.09 and 10A.10.

Sec. 29. Minnesota Statutes 1992, section 13.02, is amended by adding a subdivision to read:

Subd. 1a. [CHIEF INFORMATION OFFICER.] "Chief information officer" means the chief information officer of the office of information policy.

Sec. 30. Minnesota Statutes 1992, section 13.05, subdivision 2, is amended to read:

Subd. 2. [COPIES TO COMMISSIONER CHIEF INFORMATION OFFICER.] The commissioner chief information officer may require responsible authorities to submit copies of the public document required in subdivision 1, and may request additional information relevant to data collection practices, policies and procedures.

Sec. 31. Minnesota Statutes 1992, section 13.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION TO COMMISSIONER CHIEF INFORMATION OFFICER.] Notwithstanding the provisions of section 13.03, the responsible authority of a state agency, political subdivision, or statewide system may apply to the commissioner chief information officer for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as nonpublic or protected nonpublic, for its own use and for the use of other similar agencies, political subdivisions, or statewide systems on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

Upon the filing of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, rejected, or granted by the commissioner chief information officer, whichever is earlier.

If the commissioner chief information officer determines that an application has been submitted for purposes not consistent with this section, the commissioner chief information officer may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner chief information officer, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner chief information officer.

Sec. 32. Minnesota Statutes 1992, section 13.06, subdivision 4, is amended to read:

Subd. 4. [PROCEDURE WHEN CLASSIFICATION AFFECTS OTHERS.] If the commissioner chief information officer determines that an application for temporary classification involves data which would reasonably be classified in the same manner by all agencies, political subdivisions, or statewide systems similar to the one which made the application, the commissioner chief information officer may approve or disapprove the classification for data of the kind which is the subject of the application for the use of all agencies, political subdivisions, or statewide systems similar to the applicant. On deeming this approach advisable, the commissioner chief information officer shall provide notice of the proposed action by publication in the state register and by notification to the intergovernmental information systems advisory council, within ten days of receiving the application. Within 30 days after publication in the state register and notification to the council, an affected agency, political subdivision, the public, or statewide system may submit comments on the commissioner's chief information officer's proposal. The commissioner chief information officer shall consider any comments received when granting or denying a classification for data of the kind which is the subject of the application, for the use of all agencies, political subdivisions, or statewide systems similar to the applicant. Within 45 days after the close of the period for submitting comment, the commissioner chief information officer shall grant or disapprove the application. Applications processed under this subdivision shall be either approved or disapproved by the commissioner chief information officer within 90 days of the receipt of the application. For purposes of subdivision 1, the data which is the subject of the classification shall be deemed to be classified as set forth in the application for a period of 90 days, or until the application is disapproved or granted by the commissioner chief information officer, whichever is earlier. If requested in the application, or determined to be necessary by the commissioner chief information officer, the data in the application shall be so classified for all agencies, political subdivisions, or statewide systems similar to the applicant until the application is disapproved or granted by the commissioner chief information officer, whichever is earlier. Proceedings after the grant or disapproval shall be governed by the provisions of subdivision 5.

Sec. 33. Minnesota Statutes 1992, section 13.06, subdivision 5, is amended to read:

Subd. 5. [DETERMINATION.] The commissioner chief information officer shall either grant or disapprove the application for temporary classification within 45 days after it is filed. On disapproving an application, the commissioner chief information officer shall set forth in detail reasons for the disapproval, and shall include a statement of belief as to what classification is appropriate for the data which is the subject of the application. Twenty days after the date of the commissioner's chief information officer's disapproval of an application, the data which is the subject of the application shall become public data, unless the responsible authority submits an amended application for temporary classification which requests the classification deemed appropriate by the commissioner chief information officer in the statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 20 days or until the amended application is granted or disapproved by the commissioner chief information officer, whichever is earlier. The commissioner chief information officer shall either grant or disapprove the amended application within 20 days after it is filed. Five working days after the date of the commissioner's chief information officer's disapproval

of the amended application, the data which is the subject of the application shall become public data. No more than one amended application may be submitted for any single file or system.

If the ~~commissioner~~ chief information officer grants an application for temporary classification, it shall become effective immediately, and the complete record relating to the application shall be submitted to the attorney general, who shall review the classification as to form and legality. Within 25 days, the attorney general shall approve the classification, disapprove a classification as confidential but approve a classification as private, or disapprove the classification. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data five working days after the date of the attorney general's disapproval.

Sec. 34. Minnesota Statutes 1992, section 13.06, subdivision 6, is amended to read:

Subd. 6. [EXPIRATION OF TEMPORARY CLASSIFICATION.] A temporary classification granted under this section shall expire ten days after the end of the second complete regular legislative session that follows the ~~commissioner's~~ chief information officer's granting of the temporary classification.

Sec. 35. Minnesota Statutes 1992, section 13.06, subdivision 7, is amended to read:

Subd. 7. [LEGISLATIVE CONSIDERATION OF TEMPORARY CLASSIFICATIONS.] On or before January 15 of each year, the ~~commissioner~~ chief information officer shall submit all temporary classifications in effect on January 1 in bill form to the legislature.

Sec. 36. Minnesota Statutes 1992, section 13.07, is amended to read:

#### 13.07 [DUTIES OF THE ~~COMMISSIONER~~ CHIEF INFORMATION OFFICER.]

The ~~commissioner~~ chief information officer shall with the advice of the intergovernmental information ~~services~~ systems advisory council promulgate rules, in accordance with the rulemaking procedures in the administrative procedures act which shall apply to state agencies, statewide systems and political subdivisions to implement the enforcement and administration of this chapter. The rules shall not affect section 13.04, relating to rights of subjects of data. Prior to the adoption of rules authorized by this section the ~~commissioner~~ chief information officer shall give notice to all state agencies and political subdivisions in the same manner and in addition to other parties as required by section 14.06 of the date and place of hearing, enclosing a copy of the rules to be adopted.

Sec. 37. [13.072] [OPINIONS BY THE CHIEF INFORMATION OFFICER.]

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

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

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

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

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

Sec. 38. [15.083] [LIMITS ON BONUS PAYMENTS.]

Notwithstanding any law to the contrary, an employee of a public corporation or nonprofit corporation created by law may not receive bonus payments in any year that exceed ten percent of the employee's base salary for that year. For purposes of this section, bonus payments include any combination of merit pay, achievement awards, or any other cash payments in addition to base salary, other than severance pay or overtime or holiday pay. Groups covered by this section include, but are not limited to, the Workers' Compensation Reinsurance Association, the Minnesota Insurance Guaranty Association, the Fair plan, the Joint Underwriters Association, the Minnesota Joint Underwriters Association, the Life and Health Guaranty Association, the Minnesota Comprehensive Health Association, the Minnesota State High School League, Minnesota Technology, Inc., agricultural utilization research institution, Minnesota project outreach corporation, State Fund Mutual Insurance Company, the World Trade Center Corporation, and the State Agricultural Society.

Sec. 39. Minnesota Statutes 1992, 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 if the records are not deemed to be of permanent or archival value by the ~~commissioner of administration~~ chief information officer of the information policy office and the records disposition panel under section 138.17. The public officer is empowered to reproduce these records by any photographic, photostatic, microphotographic, optical disk imaging system, microfilming, or other reproduction method that clearly and accurately reproduces the records. If a 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. Each public officer may order that those photographs, photostats, microphotographs, microfilms, optical disk images, 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, optical disk images, or other reproductions are for all purposes deemed the original recording of the papers, books, documents, and records reproduced when so ordered by any public officer and are admissible as evidence in all courts and proceedings of every kind. A facsimile or exemplified or certified copy of a photograph, photostat, microphotograph, microfilm, optical disk image, or other reproduction, or an enlargement or reduction of it, has the same effect and weight as evidence as would a certified or exemplified copy of the original.

Sec. 40. Minnesota Statutes 1992, section 15.171, is amended to read:

15.171 [OFFICIAL RECORDS; COMPILATION, MAINTENANCE AND STORAGE OF INFORMATION.]

Notwithstanding any other law, any public officer who has jurisdiction over a collection of official records may select and use, subject to the approval of the ~~commissioner of administration~~ chief information officer of the information policy office, alternative methods for the compilation, maintenance and storage of the information contained in those records, subject to the following conditions:

- (1) The methods selected must provide for access to the information contained in the records by those authorized by law to have access to that information; and
- (2) The methods selected must provide for the preservation of the information contained in the records to the extent specified by law.

Sec. 41. Minnesota Statutes 1992, section 15.172, is amended to read:

15.172 [APPROVAL OF ALTERNATE METHOD.]

At least 90 days prior to the date upon which it is proposed to put into effect an alternate method of compilation, maintenance, and storage of records, the public official shall submit a description of the proposed method and the reasons for adopting it to the ~~commissioner of administration~~ chief information officer of the information policy office. On finding that the proposed method complies with the conditions specified in section 15.171, the ~~commissioner of administration~~ chief information officer shall approve its use; on finding otherwise, the ~~commissioner~~ chief information officer shall disapprove its use. A failure of the ~~commissioner of administration~~ chief information officer to act before the date upon which the public official proposes to put the alternative method into effect shall be deemed a disapproval of that method.

Sec. 42. Minnesota Statutes 1992, section 15.173, is amended to read:

15.173 [NOTICE OF ALTERNATIVE METHOD.]

The ~~commissioner of administration~~ chief information officer of the information policy office, on approving an alternate method of compilation, maintenance and storage, shall maintain a written notice of that approval, the date of taking effect of the alternate method, a description of the method and the reasons for its adoption in the ~~commissioner's~~ chief information officer's office as a public record. In the case of a record having less than statewide significance, the public official having jurisdiction over the records shall file a written notice containing the same information as the notice maintained by the ~~commissioner of administration~~ chief information officer with the county auditor, clerk or other similar recording officer of the affected governmental subdivision and such notices shall also be maintained as public records.

Sec. 43. Minnesota Statutes 1992, section 15.174, is amended to read:

15.174 [RECORDS NOW IN USE.]

Notwithstanding section 15.171, any public official using an alternate method of compilation, maintenance and storage of a record on August 1, 1974, may continue to use that alternate method unless and until that method is expressly disapproved by the ~~commissioner of administration~~ chief information officer of the information policy office. Such an official shall file a description of the method and the reasons for its use on or before August 1, 1974. Failure of the ~~commissioner of administration~~ chief information officer to approve or disapprove such a method within 90 days shall be deemed an approval. Notice of such methods shall be filed as required in section 15.173.

Sec. 44. [15.90] [PURPOSE.]

The purposes of sections 15.90 to 15.93 are:

- (1) to generate information so that the legislature can determine the extent to which state programs are successful;
- (2) to develop clear goals and priorities for state programs;
- (3) to strengthen accountability to Minnesotans by providing a record of state government's performance in providing effective and efficient services; and
- (4) to create appropriate incentives and systems that will allow and encourage the best work by state employees.

Sec. 45. [15.91] [PERFORMANCE REPORTING FOR AGENCIES OF STATE GOVERNMENT.]

Subdivision 1. [DEFINITION.] For purposes of sections 15.90 to 15.93, "agency" means a department or agency, as designated in section 15.01.

Subd. 2. [PERFORMANCE REPORTS.] (a) Each agency shall develop a performance report for its operations. The report shall include each of the following items or an explanation of why an item does not apply to the agency:

- (1) a statement of the mission, goals, and objectives of the agency including those set forth in statute;

- (2) measures of the output and outcome of the agency in terms of indicators to be developed under this section;
- (3) identification of priority and other service populations, or other service measures, under current law and how those populations are expected to change within the period of the report;
- (4) plans for how outcome information can be used as an incentive for improving state programs and program outcomes; and
- (5) other information that may be required.

The goals required under clause (1): (i) must be simple declarative statements of intent; (ii) should carry benchmarks for accomplishment; and (iii) should be specific enough so citizens can measure progress year to year.

(b) Each agency shall issue a draft report by November 1, 1993, a final report by September 1, 1994, and annual updated reports no later than September 1 of each year beginning in 1995. A report must cover a period of six years from the date that it is required to be issued.

(c) Each agency shall send a copy of each report issued to the governor, the speaker of the house of representatives, the president of the senate, the legislative commission on planning and fiscal policy, the legislative auditor, the commissioner of finance, and two copies to the legislative reference library.

(d) State agency reports shall be compiled as required in this paragraph.

(1) The commissioner of finance, in consultation with the commissioner of administration, the legislative commission on planning and fiscal policy, and the finance committees and divisions of the house of representatives and senate, shall:

- (1) develop forms and instructions for the use of the agencies in the preparation of their reports;
- (2) work with individual agencies to determine acceptable measures of workload, output, and outcome for use in reports;
- (3) work together to develop goals and outcomes for state government with broad participation of citizens, elected officials, state employees and managers, and consumer and advocacy groups. They shall forward copies to agencies for use in developing agency reports; and
- (4) request any needed additional information concerning any agency report submitted.

Each agency shall include citizens, consumer and advocacy groups, worker participation committees, managers, elected officials, and contractors in its planning.

The legislative commission on planning and fiscal policy may hold hearings on any matter required by this section.

Sec. 46. [15.92] [TIMETABLES.]

Agencies shall develop and present to the legislature for approval the following information by the dates specified below:

November 1, 1993: drafts of performance reports;

September 1, 1994: final performance reports, outcome measures, funding requests for information systems, and requests for statutory flexibility needed to reach outcome goals;

January 1, 1997: goals and outcome measures in the biennial budget;

January 1, 1998: incentive programs.

Agencies may present final performance reports to the legislature before the timetable outlines. The commissioner of finance shall encourage agencies that have already completed performance reports to present final performance reports to the legislature by November 1, 1993.

## Sec. 47. [15.93] [WORKER PARTICIPATION COMMITTEES.]

(a) In the development of outcome measures and incentive programs, each agency shall create a committee including representatives of employees and employers. The committee must be given adequate time to perform the functions prescribed in paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.

(b) A committee established under paragraph (a) shall:

(1) identify other employer and employee issues related to improving the delivery of the agency's program and services;

(2) identify barriers to the effective and efficient delivery of services;

(3) guide the development of the agency's outcome measures and incentive programs; and

(4) meet as desired for the purpose of developing solutions to problems shared by employees and employer within the agency.

## Sec. 48. [15B.01] [OFFICE OF INFORMATION POLICY CREATED.]

The information policy office is created as an independent office in the executive branch. The governor shall appoint a chief information officer to direct the office. The appointment is subject to the advice and consent of the senate. The chief information officer must be free of any political or economic association that would impair the officer's ability to function in a fair and objective manner. The officer serves in the unclassified service for a term ending on June 30 of the sixth calendar year after appointment. The officer may not be removed from office during this term except for cause. The chief information officer has all powers granted under sections 15.06, subdivision 6, and 15.061.

## Sec. 49. [15B.02] [DEFINITION.]

For purposes of this chapter, "chief information officer" means the chief information officer of the office of information policy, unless the context clearly indicates otherwise.

## Sec. 50. [TRANSFER.]

The transfers of powers and duties in sections 29 to 36, 40 to 43, 78, and 80 to 83 from the commissioner of administration to the information policy office are subject to section 15.039. The person serving as assistant commissioner of administration for the information policy office on January 1, 1993, becomes the chief information officer, for a term ending June 30, 1995.

Sec. 51. Minnesota Statutes 1992, section 16A.011, subdivision 5, is amended to read:

Subd. 5. [APPROPRIATIONS WAYS AND MEANS COMMITTEE.] "~~Appropriations Ways and means committee~~" means the ~~appropriations~~ chief fiscal committee of the house of representatives.

Sec. 52. Minnesota Statutes 1992, section 16A.011, subdivision 6, is amended to read:

Subd. 6. [BIENNIUM.] "Biennium" means a period of two consecutive fiscal years beginning in an odd-numbered calendar year and ending in the next odd-numbered calendar year. ~~On July 1, 1984, the current biennium is the 1983-1985 biennium.~~

Sec. 53. Minnesota Statutes 1992, section 16A.011, subdivision 14, is amended to read:

Subd. 14. [FISCAL YEAR.] "Fiscal year" means the period beginning at midnight between June 30 and July 1 and ending 12 months later. ~~On July 1, 1984, the current fiscal year is 1985.~~

Sec. 54. Minnesota Statutes 1992, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. [TO PREPARE, CONSULT, SUPERVISE.] The commissioner shall prepare the biennial budget with ~~four-year~~ projections of revenues and expenditures for both the biennial budget period and the biennium following the biennial budget period. The governor shall supervise the preparation unless there is a governor-elect, who then shall provide the supervision.

Sec. 55. Minnesota Statutes 1992, 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;
- (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~~ maintain 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~~ of even-numbered years, on progress made.

Sec. 56. Minnesota Statutes 1992, section 16A.06, subdivision 4, is amended to read:

Subd. 4. [~~OBJECTIVES REPORTING AGENCY PERFORMANCE.~~] ~~The commissioner from time to time shall require each executive agency to write objectives on the department's form for its authorized activities and functions. The objectives must be specific as to amount and time so that their performance can be measured. The objectives must cover the current and the next biennium. Executive agencies shall prepare performance-based budget plans according to schedules, forms, and standards as established by the commissioner. The commissioner may also require other periodic reports of agency performance.~~

Sec. 57. Minnesota Statutes 1992, section 16A.065, is amended to read:

16A.065 [PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.]

Despite Notwithstanding section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for sole source maintenance agreements where it is not ~~cost effective~~ cost-effective to pay in arrears, for exhibit booth space rental when required by the renter to guarantee the availability of space, for registration fees where advance payment is required or advance payment discount is provided, and for newspaper, magazine, and other subscription fees customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 58. Minnesota Statutes 1992, section 16A.10, subdivision 1, is amended to read:

Subdivision 1. [~~BY MAY 1 AND SEPTEMBER 1 BUDGET FORMAT.~~] In each even-numbered calendar year the commissioner shall prepare the budget forms and instructions for all agencies, subject to the approval of the governor. The commissioner shall ~~consult with~~ request and receive advisory recommendations from the chairs of the senate finance committee and house of representatives ~~appropriations ways and means committee, as well as their respective division chairs,~~ before adopting a format for the biennial budget document. By ~~May 1~~ June 15, the commissioner shall send the proposed budget forms to the appropriations and finance committees. The committees have until June ~~1~~ 15 to give the commissioner their advisory recommendations on possible improvements. ~~By September 1, the commissioner shall send each agency enough forms to make its budget estimates. To facilitate this consultation, the~~

commissioner shall establish a working group consisting of executive branch staff and designees of the chairs of the senate finance and house of representatives ways and means committees. The commissioner must involve this group in all stages of development of budget forms and instructions. The forms budget format must show actual expenditures and receipts for the two most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium, and an estimated appropriation balance at the end of the current fiscal year. Estimated expenditures must be classified by funds and character of expenditures and may be subclassified by programs and activities. Agency revenue estimates must show how the estimates were made and what factors were used. Receipts must be classified by funds, programs, and activities. Expenditure and revenue estimates must be based on the law in existence at the time the estimates are prepared.

Sec. 59. Minnesota Statutes 1992, section 16A.10, subdivision 2, is amended to read:

Subd. 2. [BY OCTOBER 15 AND NOVEMBER 30.] By October 15 of each even-numbered year, an agency must file the following with the commissioner:

- (1) its budget and departmental earnings estimates for the most recent and current fiscal years;
- (2) its upcoming biennial budget and departmental earnings estimates;
- (3) a comprehensive and integrated statement of agency missions and outcome and performance measures; and
- (4) a concise explanation of any requests for increased appropriations, expansion planned changes in the level of services; or new activities;
- (3) a statement of work done during the current biennium and proposed for the next biennium; and
- (4) a list of each employee's name, title, and salary.

The commissioner shall prepare and file the budget estimates for an agency failing to file them. By November 15 30, the commissioner shall send the final budget format, departmental earnings report, agency budget plans or requests for the next biennium, and copies of the filed material to the appropriations ways and means and finance committees, except that the commissioner shall not be required to transmit information that identifies the governor's budget recommendations. At this time, a list of each employee's name, title, and salary must be available to the legislature, either on paper or through electronic retrieval.

Sec. 60. Minnesota Statutes 1992, section 16A.105, is amended to read:

16A.105 [DEBT CAPACITY FORECAST.]

By ~~January 14~~ December 1 of each ~~odd-numbered~~ even-numbered year the governor shall submit to the legislature a debt capacity forecast. The debt capacity forecast must include statements of the indebtedness of the state for bonds, notes, and other forms of long-term indebtedness that are not accounted for in proprietary or fiduciary funds, including general obligation bonds, moral obligation bonds, revenue bonds, loans, grants payable, and capital leases. The forecast must show 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 the next six fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity for the next six fiscal years.

Sec. 61. Minnesota Statutes 1992, section 16A.11, subdivision 1, is amended to read:

Subdivision 1. [WHEN.] The governor shall submit a three-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth ~~Monday~~ Tuesday in January in each odd-numbered year. Part three, the detailed recommendations as to capital expenditure, ~~need not be~~ must be submitted ~~until June 15~~ as follows: agency capital budget requests by June 15 of each odd-numbered year; preliminary governor's recommendations by September 1 of each odd-numbered year; and final recommendations by February 1 of each even-numbered year. In a year following the election of a new governor, all portions of the budget shall be submitted to the legislature on or before the fourth Tuesday in February.

Sec. 62. Minnesota Statutes 1992, 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 contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. Part of the budget must be prepared using performance-based budgeting concepts. In this subdivision, "performance-based budgeting" means a budget system that identifies agency outcomes and results and provides comprehensive information regarding actual and proposed changes in funding and outcomes. The detailed estimates shall include the budget request plan 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 full-time equivalent positions 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 full-time equivalent employees of all kinds employed by the agency on June 30 of the last complete fiscal year. 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.

Any increase in complement with the exception of federal positions, approved by the commissioner of finance as temporary positions, shall be reflected in the governor's budget recommendations to the legislature as change request items. These positions are not permanent positions until the legislature has approved the change request items.

Sec. 63. [16A.122] [WORK FORCE PLANNING AND REPORTING.]

Subdivision 1. [AGENCY AUTHORIZED WORK FORCE.] Within any limits imposed by law, state agencies may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions except that actual levels of employment are limited by availability of appropriated funding for salaries and benefits.

Subd. 2. [TRANSFERS FROM GRANTS PROHIBITED.] Unless otherwise provided by law, an agency must not use grant or flow-through funds for salaries or other operating purposes.

Subd. 3. [WORK FORCE REPORTING.] The commissioner shall prepare quarterly work force reports as required for accurate reporting of state employment levels, whether for internal analysis or for nationwide comparisons of public employment levels. The reports shall express total employment in terms of full-time equivalent positions; shall indicate changes from previous reporting periods; and shall take into account all positions, including full-time, part-time, temporary, and other employees. In this subdivision, a full-time equivalent position means 2,080 working hours per year; except that the number of work hours may vary, depending upon the exact number of working days in any given year. Independent contractors are not to be included within the definition of a full-time equivalent position.

Subd. 4. [BUDGET REPORTING.] For purposes of budgetary reporting, position counts must be expressed as full-time equivalents as stipulated in subdivision 3. Estimated positions must be based on actual funding in the year indicated. The biennial budget document submitted to the legislature by the governor shall indicate full-time equivalent base level positions, the number of projected positions, and the number of positions for each of the two years before the base year. The governor's budget recommendations shall clearly specify any proposed changes in full-time equivalent positions. All fiscal notes and any other budgetary items submitted to the legislature shall specify relevant changes, both in full-time equivalent positions and accompanying changes in salary dollars.

Sec. 64. Minnesota Statutes 1992, section 16A.128, as amended by Laws 1993, chapter 4, section 9, is amended to read:

16A.128 [FEE SETTING DEPARTMENTAL EARNINGS.]

Subdivision 1. [POLICY DEFINITIONS.] Agency fees and fee adjustments shall not exceed amounts established by statute. Where amounts are not established by statute, fees shall be established or adjusted as provided in this section.

The legislature, in setting or adjusting fees, or taking actions affecting the setting or adjusting of fees, should attempt to ensure that (1) agency fees and fee adjustments include only those service-related costs that provide a primary benefit to the individual fee payer and (2) service-related costs that benefit the general community are borne

by the agency. In this section, "departmental earnings" means any charge for goods and services and any regulatory, licensure, or other similar charges levied by any state agency and paid by individuals, businesses, or other nonstate entities. This definition does not include general taxes collected by a state agency or charges for services provided by one state agency to another state agency.

Subd. 2. [POLICY.] To the extent not set by law, specific charges falling within definitions stipulated in subdivision 1 shall be set in the manner prescribed in this subdivision provided that:

(1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set such charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing such services;  
or

(2) agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.

Subd. 1a 3. [APPROVAL DUTIES OF COMMISSIONER OF FINANCE.] Fees for accounts for which appropriations are made may not be established or adjusted without the approval of the commissioner. If the fee or fee adjustment is required by law to be fixed by rule, the commissioner's approval must be in the statement of need and reasonableness. These fees must be reviewed each fiscal year. Unless the commissioner determines that the fee must be lower, fees must be set or fee adjustments must be made so the total fees nearly equal the sum of the appropriation for the accounts plus the agency's general support costs, statewide indirect costs, and attorney general costs attributable to the fee function. The commissioner of finance shall classify, monitor, analyze, and report all departmental earnings that fall within the definition established in subdivision 1. Specifically, the commissioner shall:

(1) establish and maintain a classification system that clearly defines and distinguishes categories and types of departmental earnings and takes into account the purpose of the various earnings types and the extent to which various earnings types serve a public or private interest;

(2) prepare a biennial report that documents collection costs, purposes, and yields of all departmental earnings, the report to be submitted to the legislature on or before November 30 of each even-numbered year and to include estimated data for the year in which the report is prepared, actual data for the two years immediately before, and estimates for the two years immediately following; and

(3) prepare and maintain a detailed directory of all departmental earnings.

Subd. 2 4. [NO RULEMAKING.] The kinds of fees that need not be fixed by rule unless specifically required by law are (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust individual charges when:

(1) fees based on actual direct costs of a service charges for goods and services are provided for the direct and primary use of a private individual, business, or other similar entity;

(2) one-time fees charges are nonrecurring;

(3) fees that charges would produce insignificant revenues;

(4) fees charges are billed within or between state agencies; or

(5) fees exempt from commissioner approval; or

(6) fees for charges are for admissions to or for use of public facilities operated by the iron range resources and rehabilitation board state, including the Minnesota historical society, if the fees charges are set according to prevailing market conditions to recover operating costs.

(b) In addition to the exemptions in paragraph (a), agencies may adjust charges, with approval of the commissioner of finance, if the proposed adjustments are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments do not change the type or purpose of the item being adjusted.

(c) Any departmental earnings changes or adjustments authorized by the commissioner of finance must be reported to the chairs of the senate committee on finance and the house of representatives ways and means committee before August 1 of each year.

Subd. 2a 5. [PROCEDURE.] ~~Other fees not fixed by law must be fixed by rule according to chapter 14. Before an agency submits notice to the State Register of intent to adopt rules that establish or adjust fees, the agency must send a copy of the notice and the proposed rules to the chairs of the house ways and means committee and senate finance committee. The commissioner of finance must review and comment on all departmental charges submitted for approval under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process.~~

Sec. 65. Minnesota Statutes 1992, section 16A.129, is amended by adding a subdivision to read:

Subd. 3. [CASH ADVANCES.] When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may transfer general fund cash reserves into the accounts as necessary to meet cash demands. The cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. Any interest earned on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made.

Sec. 66. Minnesota Statutes 1992, section 16A.15, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] (a) If the commissioner determines that probable receipts for the general fund will be less than anticipated, and that the amount available for the remainder of the biennium will be less than needed, the commissioner shall, with the approval of the governor, and after consulting the legislative advisory commission, reduce the amount in the budget ~~reserve~~ and cash flow ~~reserve~~ account ~~established in subdivision 6~~ as needed to balance expenditures with revenue.

(b) An additional deficit shall, with the approval of the governor, and after consulting the legislative advisory commission, be made up by reducing unexpended allotments of any prior appropriation or transfer. Notwithstanding any other law to the contrary, the commissioner is empowered to defer or suspend prior statutorily created obligations which would prevent effecting such reductions.

(c) If the commissioner determines that probable receipts for any other fund, appropriation, or item will be less than anticipated, and that the amount available for the remainder of the term of the appropriation or for any allotment period will be less than needed, the commissioner shall notify the agency concerned and then reduce the amount allotted or to be allotted so as to prevent a deficit.

(d) In reducing allotments, the commissioner may consider other sources of revenue available to recipients of state appropriations and may apply allotment reductions based on all sources of revenue available.

(e) In like manner, the commissioner shall reduce allotments to an agency by the amount of any saving that can be made over previous spending plans through a reduction in prices or other cause.

Sec. 67. Minnesota Statutes 1992, section 16A.15, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO COMMITTEES.] The commissioner shall notify the committees on finance and taxes and tax laws of the senate and the committees on ~~appropriations ways and means~~ and taxes of the house of representatives of a reduction in an allotment under ~~subdivision 1~~ this section. The notice must be in writing and delivered within 15 days of the commissioner's act. The notice must specify:

- (1) the amount of the reduction in the allotment;
- (2) the agency and programs affected;
- (3) the amount of any payment withheld; and
- (4) any additional information the commissioner determines is appropriate.

Sec. 68. Minnesota Statutes 1992, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE AND CASH FLOW RESERVE ACCOUNT ESTABLISHED.] A budget reserve and cash flow reserve account is created in the general fund in the state treasury. The commissioner of finance shall, ~~as authorized from time to time by law,~~ restrict part or all of the budgetary balance before reserves in the general fund for use as may be necessary to fund the budget reserve and cash flow reserve account. ~~The commissioner of finance shall transfer from the budget and cash flow reserve account the amount necessary to bring the total amount, including any existing balance in the account on July 1, 1992, to \$240,000,000. The amounts restricted shall remain in the account until drawn down under subdivision 1 or increased under section 16A.1541.~~

Sec. 69. Minnesota Statutes 1992, section 16A.17, subdivision 3, is amended to read:

Subd. 3. [EQUAL PAYMENTS.] The commissioner may adjust the salary of an employee to provide equal payments through the year and to make use of modern accounting in preparing the payroll. With the exception of years with additional work days, adjusted salaries must be based on a year of ~~2088~~ 2,080 working hours. Fractions may be dropped or added in order to permit equal payments even if the salary is then slightly changed.

Sec. 70. Minnesota Statutes 1992, section 16A.28, is amended to read:

16A.28 [TREATMENT OF UNUSED APPROPRIATIONS.]

Subdivision 1. [CARRYFORWARD.] Agencies may carry forward unexpended and unencumbered nongrant operating balances from the first year of a biennium into the second year of the biennium or from the second year of a biennium into the first year of the next biennium. All money carried forward from the second year of one biennium to the first year of the next biennium lapses at the end of the first year of the next biennium if it is unencumbered and unexpended.

Subd. 2. [USE OF CARRYFORWARD.] No money shall be carried forward without the approval of the commissioner of finance. All money carried forward from the second year of a biennium into the first year of the next biennium must be used for investments that enhance the efficiency or improve the effectiveness of the program. The commissioner of finance shall set standards for expenditures of money carried forward including those which ensure that money carried forward is used for nonrecurring expenses. Agencies shall report annually to the commissioner of finance and the ways and means and finance committees on any expenditures of carryforward money during that fiscal year.

Subd. 3. [LAPSE.] ~~Except as specifically provided for in appropriation acts, a part of an appropriation subject to this section~~ Any portion of any appropriation not carried forward and remaining unexpended and unencumbered at the close of a fiscal year lapses. The commissioner shall see that the remainder is returned to the fund from which it was originally appropriated. Any appropriation amounts not carried forward and remaining unexpended and unencumbered at the close of a biennium lapse to the fund from which the appropriation was made.

Subd. 4. [REINSTATEMENT; FINAL LAPSE.] The commissioner may reinstate a lapsed appropriation within three months of the lapse. A reinstated appropriation lapses again no later than three months after it first lapsed. A payment under a reinstated appropriation may be made only under section 16A.15, subdivision 3.

Subd. 5. [PERMANENT IMPROVEMENTS.] An appropriation for permanent improvements, including the acquisition of real property does not lapse until the purposes of the appropriation are determined by the commissioner, after consultation with the affected agencies, to be accomplished or abandoned.

Subd. 6. [CANCELED SEPTEMBER 1.] On September 1 all allotments and encumbrances for the last fiscal year shall be canceled unless an agency head certifies to the commissioner that there is an encumbrance for services rendered or goods ordered in the last fiscal year, or certifies that funding will be carried forward under subdivision 1. The commissioner may: reinstate the part of the cancellation needed to meet the certified encumbrance or charge the certified encumbrance against the current year's appropriation.

Subd. 7. [EXCEPTIONS.] Except as otherwise expressly provided by law, subdivisions 1 to 6 apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but do not, unless expressly provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources that are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Subd. 8. [EXPIRATION.] Subdivisions 1 and 2 expire June 30, 1996. The commissioner of finance must report to the legislature on the use of carryforward under subdivisions 1 and 2, by January 31, 1997.

Sec. 71. Minnesota Statutes 1992, section 16A.281, is amended to read:

16A.281 [APPROPRIATIONS TO LEGISLATURE EXEMPT.]

Except as provided in this section, section 16A.28 does not apply applies to appropriations made to the legislature, the senate, the house of representatives or its committees or commissions. An appropriation made to the legislature, the senate, the house of representatives, or a legislative commission or committee other than a standing committee, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance not carried forward and remaining unexpended and unencumbered at the end of a biennium lapses and shall be returned to the fund from which appropriated. Funds may be carried forward into the next biennium only as follows: (1) money may be carried forward and placed in a special account to be used only for nonrecurring expenditures on investments that enhance efficiency or improve effectiveness; and (2) up to \$400,000 for the house of representatives and up to \$300,000 for the senate may be carried forward and placed in a special account that may be used only to pay expenses associated with special sessions, interim activities, public hearings, or other public outreach efforts and related activities. The standards and approval of the commissioner of finance under section 16A.28, subdivision 1, do not apply to the legislature. All money carried forward from the second year of one biennium to the first year of the next biennium lapses at the end of the first year of the next biennium if it is unencumbered and unexpended. An appropriation made to the legislature, the senate, the house of representatives, or a standing committee for all or part of a biennium may be spent in either year of the biennium or the year before or after the biennium.

Sec. 72. [16A.285] [ALLOWED APPROPRIATION TRANSFERS.]

An agency may transfer state agency operational money between programs within the same fund if: (1) the agency first notifies the commissioner as to the type and intent of the transfer; and (2) the transfer is consistent with legislative intent.

The commissioner shall report the transfers to the chairs of the senate finance and house of representatives ways and means committees.

Sec. 73. Minnesota Statutes 1992, section 16A.30, is amended to read:

16A.30 [APPLICATIONS FOR NONSTATE FUNDS.]

Subdivision 1. [DEFINITION.] In this section, "agency" does not include the Minnesota historical society, the University of Minnesota, the state university system, the community college system, and the technical college system.

Subd. 2. [ON ORIGINAL APPLICATION; RULES AND APPROVAL.] An executive agency may not apply for nonstate money without getting the approval of the commissioner on first submitting the original of the application for approval by the commissioner. The commissioner may make prescribe rules and directives as necessary to carry out this section.

Subd. 2 3. [HISTORICAL SOCIETY COMMISSIONER'S APPROVAL.] Subdivision 1 does not apply to the Minnesota historical society. An agency must not allot or spend any federal grant, contract, or award without legislative review or, when the legislature is not in session, without the specific approval of the commissioner. Requests for legislative approval are to be included as part of a biennial or supplemental budget submission and requests for department of finance approval are to be submitted in a format prescribed by the commissioner. Any federal grant, contract, or award approved by the commissioner when the legislature is not in session must be reported to the senate finance and the house of representatives ways and means committees at the beginning of the next legislative session.

Subd. 4. [EMPLOYEES.] Executive agencies may increase budgeted full-time equivalent employees as necessary to carry out this section.

Subd. 5. [INCOME CONTRACTS.] This section does not pertain to income contracts negotiated between the federal government, if the state is acting as a vendor as otherwise authorized by law.

Sec. 74. Minnesota Statutes 1992, section 16A.58, is amended to read:

16A.58 [COMMISSIONER CUSTODIAN OF PAYMENT DOCUMENTS.]

The commissioner or the head of a state agency designated by the commissioner is the custodian of original documents on which money has been or may be paid out of or received in the state treasury.

Sec. 75. Minnesota Statutes 1992, section 16A.69, subdivision 2, is amended to read:

Subd. 2. [TRANSFER BETWEEN ACCOUNTS.] Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. 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 technical colleges, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house appropriations of representatives ways and means committee before the transfer is made under this subdivision.

Sec. 76. Minnesota Statutes 1992, section 16A.72, is amended to read:

16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- (8) as provided in sections 16B.57 and 85.22; ~~or~~
- (9) as otherwise provided by law; and
- (10) income to the Minnesota historical society.

Sec. 77. [16A.86] [INTERGOVERNMENTAL AGREEMENTS.]

Subdivision 1. [AGREEMENTS FOR EFFICIENCY.] The commissioner of any state agency may enter into an agreement with any other governmental entity for the purpose of research or experimentation or the sharing of facilities, equipment, information, staff, or programs, if the agreements can reasonably be expected to promote efficiencies in provision of public services, encourage innovation, or otherwise benefit the citizens of Minnesota.

Subd. 2. [SPECIAL REVENUE FUND; APPROPRIATION.] In addition to any money otherwise appropriated by law, the commissioner of any state agency may accept and spend money received under any agreement entered into under subdivision 1. The money must be deposited in the special revenue fund of the state and is appropriated to the commissioner of the respective state agency for the purposes set forth in the agreement.

Subd. 3. [REPORTS TO COMMISSIONER; LEGISLATURE.] A report of the nature and purpose of, and the amount of funding received under, each agreement negotiated under subdivision 1 made to the commissioner of finance at the end of each fiscal year, and agreements involving receipts in excess of \$100,000 in any fiscal year must also be reported to the chairs of the senate finance and house of representatives ways and means committees. The commissioner shall prescribe the format of the reports.

Sec. 78. Minnesota Statutes 1992, section 16B.04, subdivision 2, is amended to read:

Subd. 2. [POWERS AND DUTIES, GENERAL.] Subject to other provisions of this chapter, the commissioner is authorized to:

- (1) supervise, control, review, and approve all state contracts and purchasing;
- (2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;
- (3) ~~approve all computer plans and contracts, and oversee the state's selection and operation of the department's data processing system systems, subject to policy and standards established by the information policy office;~~
- (4) investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;
- (5) manage and control state property, real and personal;
- (6) maintain and operate all state buildings including the state capitol building and grounds;
- (7) supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;
- (8) provide central duplicating, printing, and mail facilities;
- (9) oversee publication of official documents and provide for their sale;
- (10) manage and operate parking facilities for state employees and a central motor pool for travel on state business;
- (11) establish and administer a state building code; ~~and~~
- (12) provide rental space within the capitol complex for a private day care center for children of state employees. The commissioner shall contract for services as provided in this chapter. ~~The commissioner shall report back to the legislature by October 1, 1984, with the recommendation to implement the private day care operation; and~~
- (13) administer the operation of the state information systems under control of the commissioner.

Sec. 79. Minnesota Statutes 1992, section 16B.24, subdivision 9, is amended to read:

Subd. 9. [SMOKING IN STATE BUILDINGS.] ~~(a) To protect the public health, comfort, and environment and to protect the nonsmoker's right to a smoke-free environment, smoking in all buildings managed or leased by the commissioner under subdivisions 1 and 6 is prohibited except where smoking areas have been designated under a policy adopted in accordance with paragraph (b).~~

~~(b) Except as provided in paragraph (c), each state agency shall adopt a smoking policy for the space it occupies. Before placing a policy in effect, the agency shall submit the policy and a plan for implementing it to the commissioner of employee relations. The policy must:~~

- (1) ~~prohibit smoking entirely; or~~

(2) permit smoking only in designated areas, providing that existing physical barriers and ventilation systems can be used to prevent the presence of smoke in adjacent nonsmoking areas.

(c) An agency need not adopt a new policy governing an area in which smoking is prohibited under a policy in effect on January 1, 1989.

No employee complaining of a ~~smoke-induced discomfort~~ violation of this subdivision to a lessor, lessee, manager, or supervisor may be subjected to any disciplinary action as a result of making the complaint.

Sec. 80. Minnesota Statutes 1992, section 16B.40, is amended to read:

16B.40 [ADMINISTRATION OF STATE COMPUTER FACILITIES.]

Subdivision 1. [DEFINITIONS.] For the purposes of sections 16B.40 to 16B.45, the following terms have the meanings given them.

(a) "Computer activity" means the development or acquisition of a data processing device or system.

(b) "Data processing device or system" means any equipment or computer programs, including computer hardware, firmware, software, and communication protocol, used in connection with the processing of information via electronic data processing means, and includes data communication devices used in connection with computer facilities for the transmission of data.

Subd. 2. [COMMISSIONER'S CHIEF INFORMATION OFFICER'S RESPONSIBILITY.] The ~~commissioner~~ chief information officer is charged with integrating ~~and operating~~ the state's computer facilities to serve the needs of the state government. Except as otherwise provided by law, all plans and programs for systems and procedures analysis, information systems, and related computer efforts of agencies must be submitted to the ~~commissioner~~ chief information officer prior to implementation for review and approval, modification, or rejection. The ~~commissioner~~ chief information officer, after consulting the intergovernmental information systems advisory council, shall:

(1) design and maintain a ~~master plan~~ state information architecture for information systems in the state and its political subdivisions and shall report on the plan to the governor and legislature at the beginning of each regular session; and

(2) establish standards for information systems;

(3) ~~maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government; and~~

(4) ~~administer the communications for the state information system.~~

Subd. 3. [EVALUATION PROCEDURE.] The ~~commissioner~~ chief information officer shall establish and, as necessary, update and modify procedures to evaluate computer activities proposed by state agencies. The evaluation must include the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility, of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with alternative solutions.

Subd. 4. [EVALUATION AND APPROVAL REQUIREMENTS.] A state agency may not undertake a computer activity until the activity has been evaluated according to the procedures developed under subdivision 3 and the ~~commissioners of administration~~ chief information officer and the ~~commissioner~~ of finance have given written approval of the proposed activity. If a proposed computer activity is not approved, the commissioner of finance shall cancel the unencumbered balance of any appropriation allotted for the activity. The ~~commissioners of administration~~ chief information officer and the ~~commissioner~~ of finance may delegate their respective approval powers regarding computer activities to the head of another agency including the agency seeking approval if delegation is deemed appropriate.

Subd. 5. [REPORT TO LEGISLATURE.] If a proposed computer activity is approved, the ~~commissioners of administration~~ chief information officer and the ~~commissioner~~ of finance shall submit to the legislature a concise narrative explanation of the computer activity and a request for any additional appropriation necessary to complete the activity.

Subd. 6. [SYSTEM DEVELOPMENT METHODOLOGY.] The ~~commissioner~~ chief information officer shall establish and, as necessary, update and modify a standards and guidelines for a system development methodology for the development of approved data processing systems by state agencies. The development methodology shall be used to define the design, programming, and implementation of approved data processing systems. The development methodology shall also enable and require a data processing system to be defined in terms of its data computer programs, input requirements, output formats, administrative procedures, and processing frequencies.

Subd. 7. [SYSTEM DEVELOPMENT METHODOLOGY REQUIREMENTS.] A state agency may not develop, improve, or modify a data processing system using any methodology other than that established by the ~~commissioner~~ chief information officer.

Subd. 8. [DATA SECURITY SYSTEMS.] In consultation with the attorney general and appropriate agency heads, the ~~commissioner~~ chief information officer shall develop data security policies, guidelines, and standards, and, ~~The commissioner of administration~~ shall install, and administer state data security systems on the state's centralized computer facility consistent with state law to assure the integrity of computer based and all other data and to assure confidentiality of the data, consistent with the public's right to know. Each department or agency head is responsible for the security of the department's or agency's data.

Subd. 9. [JOINT ACTIONS.] The ~~commissioner~~ chief information officer may, within available funding, join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.

Sec. 81. Minnesota Statutes 1992, section 16B.41, as amended by Laws 1993, chapter 4, section 12, is amended to read:

16B.41 [STATE INFORMATION SYSTEMS MANAGEMENT POLICY OFFICE.]

Subdivision 1. [ESTABLISHMENT AND PURPOSE.] ~~An office of information systems management is created. The information policy office shall develop and establish a policy and standards for state agencies to follow for the development, purchase, and training for information systems. The purpose of the office is to develop, promote, and coordinate a state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.~~

Subd. 2. [RESPONSIBILITIES.] The office has the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not needlessly duplicate or needlessly conflict with the systems of other agencies. In those instances where state agencies have need for the same or similar computer data, the ~~commissioner~~ chief information officer shall ensure that the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies is used. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. ~~The commissioner of administration must establish interim standards and guidelines by August 1, 1987. The office must establish permanent standards and guidelines by July 1, 1988.~~ On January 1, 1988, and every six months thereafter, any state agency that has purchased information systems equipment or software in the past six months, or that is contemplating purchasing this equipment or software in the next six months, must report to the office and to the chairs of the house ways and means committee and the senate finance committee on how the purchases or proposed purchases comply with the applicable standards and guidelines.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's and the state's mission, requirements, and functions.

(c) The office must review and approve all agency requests for legislative appropriations for the development or purchase of information systems equipment or software. Requests may not be included in the governor's budget submitted to the legislature, unless the office has approved the request.

(d) Each biennium the office must ~~rank in order of priority~~ rate agency requests for new appropriations for development or purchase of information systems equipment or software based on established information

management criteria. The office must submit this ranking rating to the legislature at the same time, or no later than 14 days after, the governor submits the budget message to the legislature. The governor must provide information necessary to rate agency requests to the office.

(e) The office must define, review, and approve major purchases of information systems equipment to (1) ensure that the equipment follows the standards and guidelines of the state information architecture; (2) ensure that the equipment is consistent with the information management principles adopted by the information policy council; (3) evaluate whether or not the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and (4) ensure the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency. The commissioner of finance may not allot funds appropriated for major purchases of information systems equipment until the office reviews and approves the proposed purchase. A public institution of higher education must not purchase interconnective computer technology without the prior approval of the office.

(f) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office. These standards and guidelines shall emphasize uniformity that encourages information interchange, open systems environments, and portability of information whenever practicable and consistent with an agency's authority and the Minnesota government data practices act. The office, in consultation with the intergovernmental information systems advisory council and the legislative reference library, shall adopt specific standards and guidelines to be met by each state agency within a time period fixed by the office in regard to the following:

(1) establishment of methodologies and systems directed at reducing and ultimately eliminating redundant storage of data and encouraging greater use of central databases;

(2) establishment of data retention schedules, disaster recovery plans and systems, security systems, and procedural safeguards concerning privacy of data;

(3) establishment of pricing policies and incentives that encourage electronic transfer of information in electronic forms, while giving due consideration to the value and cost of providing the information in those forms. These pricing policies may include preferential prices for information requested by a public entity for a public purpose; and

(4) establishment of information sales systems that utilize licensing and royalty agreements to the greatest extent possible, together with procedures for agency denial of requests for licenses or royalty agreements by commercial users or resellers of the information. Section 3.751 does not apply to these licensing and royalty agreements and the agreements must include provisions that section 3.751 does not apply and that the state is immune from liability under the agreement.

If an agency needs additional funds to comply with the requirements of this paragraph, the agency must first obtain approval of the proposal by the office as required by paragraph (c) before submitting it to the legislature.

(g) The office must conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.

(h) The office shall recommend to the legislature any statutory changes that are necessary or desirable to accomplish the duties described in this subdivision.

(i) The office must report to the legislature by January 15 each year on progress in implementing paragraph (f), clauses (1) to (4).

~~Subd. 3. [STAFF.] The office shall function as a division of the department of administration. The commissioner of administration shall appoint an interim office director and other interim staff and provide the necessary administrative support to the office. The employees and director shall serve in the unclassified service through June 30, 1988. On July 1, 1988, the employee positions established by this section, except the position of director, shall be placed in the classified service. The position of director shall remain in the unclassified service.~~

~~Subd. 4. [ADVISORY TASK FORCE.] The commissioner must appoint a state information systems advisory task force to help develop and coordinate a state information architecture that is consistent with the information~~

management direction developed by the information policy council, and make recommendations to the commissioner concerning the progress, direction, and needs of the state's information systems. The task force must include representatives of state agencies, the supreme court, higher education systems, librarians, local government, and private industry. The task force must also have two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the senate committee on committees. No more than one member from the house of representatives and one from the senate shall be chosen from the same political party. The terms, compensation, and removal of nonlegislative members are as provided in section 15.059, but the task force does not expire until June 30, 1993.

Subd. 5. [COMPUTER IMPACT STATEMENT.] When a statutory change affects reporting and data collection requirements for local units of government, the state agency most responsible for the data collected and reported by the local units of government must file a computer impact statement with the office within 60 days of the final enactment of the statutory change. The statement must indicate the anticipated data processing costs associated with the change.

Sec. 82. Minnesota Statutes 1992, section 16B.43, is amended to read:

16B.43 [EDUCATION MANAGEMENT INFORMATION SYSTEMS.]

Subdivision 1. [APPLICATION.] The authority of the ~~commissioner~~ chief information officer under sections 16B.40 to 16B.42, 16B.41, 16B.44, and 16B.45 ~~does not apply~~ applies to ESV-IS, ~~but applies~~ and to SDE-IS and computer-related services provided to the department of education by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in section 121.93.

Subd. 2. [FURNISHING STAFF AND ASSISTANCE.] To the extent permitted by available resources, the ~~commissioner~~ chief information officer may furnish staff and other assistance to the department, the state board, the ESV computer council, and the Minnesota educational computing consortium in conjunction with their performance of the duties imposed by sections 121.931 to 121.937.

Sec. 83. Minnesota Statutes 1992, section 16B.44, is amended to read:

16B.44 [MODIFICATION OF OPERATING AND MANAGEMENT PROCEDURES.]

When improved program effectiveness, better use of services, and greater efficiency and economy in state government can be demonstrated, the ~~commissioner~~ chief information officer with the approval of the governor may require a state agency to adjust its operating and management procedures to take advantage of improved systems, procedures, and methods resulting from systems analysis and information science technology.

Sec. 84. Minnesota Statutes 1992, section 43A.045, is amended to read:

43A.045 [RESTRUCTURING.]

(a) It is the policy of the state of Minnesota that any restructuring of executive branch agencies ~~be accomplished while ensuring~~ must include efforts to ensure that fair and equitable arrangements are carried out to protect the interests of executive branch employees, and ~~while facilitating~~ to provide the best possible service to the public. The commissioner shall make an effort to train and retrain existing employees for a changing work environment. Where restructuring may involve a loss of existing positions and employment, the commissioner shall assist affected employees in finding suitable employment.

For (b) Options available to employees whose positions will be eliminated by implementation of a restructuring plan, ~~options presented to employees~~ must include but not be limited to, at a minimum, job and training opportunities necessary to qualify for another job in the same, an equal, or a lower classification within their current department or a similar job in another state agency.

(c) Implementation of this section, as well as procedures for notifying employees affected by restructuring plans, must be negotiated into collective bargaining agreements under chapter 179A. Nothing in this section shall be construed as diminishing any rights defined in collective bargaining agreements under this chapter or chapter 179A.

Sec. 85. Minnesota Statutes 1992, section 116.03, subdivision 3, is amended to read:

Subd. 3. The commissioner of the pollution control agency is the state agent to apply for, receive, and disburse federal funds made available to the state by federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the pollution control agency or the commissioner. The commissioner shall comply with any and all requirements of such federal law or such rules and regulations promulgated thereunder to facilitate application for, receipt, and disbursement of such funds. All such moneys received by the commissioner shall be deposited in the state treasury and are hereby annually appropriated to the commissioner 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.

~~The provisions of section 3.3005 shall not apply to money available under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, United States Code, title 42, sections 9601 to 9657, for which a state match is not required or for which a state match is available under the Environmental Response and Liability Act or from a political subdivision. The receipt of the money shall be reported to the legislative advisory commission.~~

Sec. 86. Minnesota Statutes 1992, section 240A.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; COMPENSATION; CHAIR.] (a) The Minnesota amateur sports commission consists of ~~nine~~ 12 voting members, four of whom must be experienced in promoting amateur sports. Nine of the voting members shall be appointed by the governor to three-year terms. Two legislators, one from each house appointed according to its rules, shall be nonvoting members. Compensation and removal of members and the filling of membership vacancies are as provided in section 15.0575. A member may be reappointed. The governor shall appoint the chair of the commission after consideration of the commission's recommendation.

(b) The governor, speaker of the house of representatives, and senate majority leader shall each appoint one additional voting member to the commission to a two-year term. The purpose of adding three members to the commission is to ensure gender balance in commission membership. Compensation, removal, and filling of vacancies of members appointed under this paragraph are as provided in section 15.0575. A member appointed under this paragraph may be reappointed.

Sec. 87. Minnesota Statutes 1992, section 240A.03, is amended by adding a subdivision to read:

Subd. 15. [ADVERTISING.] The commission may accept paid advertising in its publications. Funds received from advertising are annually appropriated to the commission for its publications. The commission must annually report the amount of funds received under this subdivision to the chair of the house of representatives ways and means and senate finance committees.

Sec. 88. Minnesota Statutes 1992, section 270.063, is amended to read:

270.063 [COLLECTION OF DELINQUENT TAXES; COSTS.]

Subdivision 1. [DELINQUENT STATE TAX LIABILITIES.] For the purpose of collecting delinquent state tax liabilities, there is appropriated to the commissioner of revenue an amount representing the cost of collection by contract with collection agencies, revenue departments of other states, or attorneys to enable the commissioner to reimburse these agencies, departments, or attorneys for this service, or provide for the operating costs of collection activities and the collection division of the department of revenue. The commissioner shall report quarterly on the status of this program to the chair of the house tax and appropriation committees and senate tax and finance committees.

Notwithstanding section 16A.15, subdivision 3, the commissioner of revenue may authorize the prepayment of sheriff's fees, attorney fees, fees charged by revenue departments of other states, or court costs to be incurred in connection with the collection of delinquent tax liabilities owed to the commissioner of revenue.

Subd. 2. [DETERMINING TAX LIABILITIES; COSTS.] For the purpose of auditing and determining state tax liabilities, there is appropriated to the commissioner of revenue an amount representing the cost of compliance-related activities to provide for the operating costs of compliance-related activities in the audit division of the department of revenue. Compliance-related activities must include business tax audit and collection of past due obligations. The commissioner shall report quarterly on the status of this program to the chairs of the house of representatives tax and

ways and means committees and senate tax and finance committees. The amount of the open appropriation under this subdivision may not exceed \$2,400,000 in fiscal year 1994 and \$2,859,000 in fiscal year 1995.

Sec. 89. Minnesota Statutes 1992, section 309.501, is amended to read:

309.501 [REGISTERED COMBINED CHARITABLE ORGANIZATIONS.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) "Registered combined charitable organization" means ~~an~~ a federated funding organization:

(1) which is tax exempt under section 501(c)3 of the Internal Revenue Code of 1986, as amended through December 31, ~~1990~~ 1992 (hereinafter "Internal Revenue Code"), and to which contributions are deductible under section 170 of the Internal Revenue Code;

(2) which exists for purposes other than solely fundraising;

(3) which secures funds for distribution to ~~ten~~ 14 or more charitable affiliated agencies in a single, annual consolidated effort;

~~(3)~~ (4) which is governed by a local, independent, voluntary board of directors which represents the broad interests of the public and 90 percent of the directors of the governing board live or work in the community or surrounding area;

~~(4)~~ (5) which distributes at least 70 percent of its total campaign income and revenue to its affiliated agencies and to the designated agencies it supports and expends no more than 30 percent of its total income and revenue for management and general costs and fund raising costs;

~~(5)~~ (6) which distributes at least 70 percent of its total campaign income and revenue to affiliated agencies and designated agencies that are incorporated or headquartered in the community and surrounding area in which the state employee combined charitable campaign takes place;

~~(7)~~ and each designated or affiliated agency supported by the recipient institution devotes substantially all of its activities directly to providing health, welfare, social, or other human services to individuals;

~~(6)~~ (8) and each designated or affiliated agency supported by the recipient institution with funds contributed by state employees through the combined charitable campaign provides all or substantially all of its health, welfare, social, or other human services, in the community and surrounding area in which the recipient institution's fund-drive state employee combined charitable campaign takes place;

~~(7)~~ (9) and each charitable agency is affiliated with no more than one registered combined charitable organization within the registered combined charitable organization's service area in the state's employee combined charitable campaign; and

~~(10)~~ which has been registered with the commissioner of ~~commerce~~ employee relations in accordance with this section.

(c) "Affiliated agency" means a charitable agency that is represented by a federation and has an ongoing relationship with that federation which involves a review and monitoring process to insure financial, managerial, and programmatic responsibility.

(d) "Charitable agency" means a governmental agency or an organization (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code; (2) to which contributions are deductible under section 170 of the Internal Revenue Code; and (3) which is in compliance with the provisions of this chapter.

(e) "State employees combined charitable campaign" means the annual state coordinated campaign whereby a state employee may designate that the employee's contribution to a registered combined charitable organization may be deducted from the pay of the employee for each pay period.

Subd. 2. [DESIGNATED CONTRIBUTIONS.] A registered combined charitable organization may offer a state officer or employee the option of designating in writing that the amount deducted in section 16A.134, be designated to any charitable agency, whether or not the charitable agency receives funds from the single, annual consolidated effort. A registered combined charitable organization which offers this option shall provide a list of charitable agencies receiving funds and the amount each charitable agency receives in the annual report required pursuant to section 309.53.

Subd. 3. [REGISTRATION.] ~~An~~ (a) In order to participate in the state employee combined charitable campaign, a federated funding organization may shall apply to the commissioner of commerce employee relations as a registered combined charitable organization on or before June 1, 1993, and in 1994 and thereafter on or before March 1 in order to be eligible to participate in the campaign for that year.

~~An~~ (b) A federated funding organization which applies to the commissioner of employee relations shall provide the commissioner with all information the commissioner deems necessary to identify the charitable and tax exempt status of the organization and its compliance with the provisions of this chapter including, but not limited to the following:

(1) a copy of the organization's most recently filed annual report required by section 309.53, which shall also be filed with the attorney general;

(2) assurance of tax exempt status for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency;

(3) assurance of proper registration with the attorney general of Minnesota to solicit contributions in the state of Minnesota for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency. A copy of the registration letter must be available upon request;

(4) an affidavit signed by a duly constituted officer of the federated funding organization attesting to the fact that the federated funding organization and its affiliated agencies are in compliance with each of the provisions of this section;

(5) a list of the board of directors for the federated funding organization which identifies the address for each director; and

(6) a fee of \$100.

(c) A registered combined charitable organization shall disclose in its solicitation and its annual report filed under section 309.53:

(a) (1) gross dollars received in contributions in the prior year;

(b) (2) names of, business addresses, and amount of money distributed to each affiliated charitable agency by the registered combined charitable organization;

(c) (3) percentage of gross dollars contributed which was directly received by the charitable agencies; and

(d) (4) projected percentage of the contribution to be received by the charitable agencies in the year for which the solicitation is being made.

If participating charitable agencies are required to pay any fees to the combined charitable organization, it shall also be disclosed in the solicitation and annual report. In the annual report the combined charitable organization shall include a list of charitable agencies to which donors specifically designated funds, and the amount designated to each agency. Notwithstanding section 309.53, subdivision 1a, each charitable agency shall file the report required in section 309.53. The commissioner shall consult with the attorney general to determine if the combined charitable organization and its charitable agencies are in compliance with this chapter.

(d) The commissioner shall register or not register the application of an organization within 60 days. No organization may apply to the commissioner more than once in a 12-month period calendar year. An organization whose application is denied has ten calendar days after receiving notice of the denial to appeal the decision or file an amended application correcting the deficiency. The commissioner shall register or not register the organization

within ten calendar days of the submission of the appeal. If the organization fails to correct the deficiency and registration is denied a second time, the organization may appeal within five calendar days after being notified by the commissioner or the commissioner's designee that the deficiency has not been cured and the organization is not registered. A hearing shall be scheduled by the commissioner of employee relations and shall be held within 15 calendar days after receiving notice of the appeal. The provisions of chapter 14 do not apply to the hearing. The hearing shall be conducted in a manner considered appropriate by the commissioner. The commissioner's determination following the hearing shall be made within five calendar days after the hearing has been completed. Registered combined charitable organizations shall file the report required in section 309.53. The commissioner shall notify the commissioner of finance in writing of the decision to register an organization under this section by July 15.

(e) An organization whose application as a registered combined charitable organization is denied shall not be eligible to participate in the state employee combined charitable campaign for that year. Only organizations that are approved may participate in the state employee combined charitable campaign for the year of approval and only contributions authorized during the campaign may be deducted from an employee's pay pursuant to section 16A.134.

Subd. 4. [COMPLIANCE WAIVER.] This subdivision applies only to the 1993 state employee combined charitable organization fund drive. A registered combined charitable organization that participated in the 1992 state employee's combined charitable organization's fund drive but that would not be qualified to participate in future fund drives because it will not satisfy the standards of this section, may certify to the commissioner of employee relations those provisions of subdivision 1 that it fails to meet and the extent of the inability to meet the specified standards, and may request a waiver of compliance. The commissioner shall issue a waiver to the registered combined charitable organization unless the provisions of subdivision 1 that the registered combined charitable organization fails to meet is subdivision 1, paragraph (b), clause (1) or (5).

To be entitled to a waiver, an organization must apply to the commissioner by the registration dates specified in subdivision 3.

Sec. 90. Minnesota Statutes 1992, section 352.96, subdivision 3, is amended to read:

Subd. 3. [EXECUTIVE DIRECTOR TO ADMINISTER SECTION.] This section must be administered by the executive director of the system under subdivision 4. Fiduciary activities of the deferred compensation plan must be undertaken in a manner consistent with chapter 356A. If the state board of investment so elects, it may solicit bids for options under subdivision 2, clauses (2) and (3). The state board of investment may retain consulting services to assist it in soliciting and evaluating bids and in the periodic review of companies offering options under subdivision 2, clause (3). The periodic review must occur at least every two years. The state board of investment may annually establish a budget for its costs in the soliciting, evaluating, and periodic review processes. The state board of investment may charge a proportional share of all costs related to the periodic review to each company currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids to each company selected by the state board. All contracts must be approved before execution by the state board of investment. Contracts must provide that all options in subdivision 2 must: be presented in an unbiased manner and in a manner that conforms to rules adopted by the executive director, be reported on a periodic basis to all employees participating in the deferred compensation program, and not be the subject of unreasonable solicitation of state employees to participate in the program. The contract may not call for any person to jeopardize the tax-deferred status of money invested by state employees under this section. All costs or fees in relation to the options provided under subdivision 2, clause (3), must be paid by the underwriting companies ultimately selected by the state board of investment.

Sec. 91. Minnesota Statutes 1992, section 354B.05, is amended to read:

354B.05 [ADMINISTRATION.]

Subdivision 1. [GOVERNING BOARDS.] The state university board shall administer the plan for persons in covered employment under section 354B.01, subdivisions 2, 4, and 5. The community college board shall administer the plan for persons in covered employment under section 354B.01, subdivision 3.

Subd. 2. [PURCHASE OF CONTRACTS.] The state university board and the community college board shall arrange for the purchase of annuity contracts, fixed, variable, or a combination of fixed and variable, or custodial accounts from financial institutions selected by the state board of investment under subdivision 3, to provide retirement and death benefits to members of the plan. The contracts or accounts must be purchased with contributions under section 354B.04 or money or assets otherwise provided by law or by authority of the state

university board or community college board and acceptable by the financial institutions from which the contracts or accounts are purchased.

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. ~~The state university board and the community college board shall of investment may select no more than two other financial institutions to provide annuity contracts or custodial accounts products. Each board may at its discretion change a selection of an institution. Investment programs offered by the institutions must meet the requirements of section 401(a) or 403(b) of the Internal Revenue Code of 1986, as amended. In making their selections, the boards~~ board shall consider at least these criteria:

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

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

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

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

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

Subd. 4. [BENEFITS OWNED BY MEMBERS.] The retirement ~~and death~~ benefits provided by the annuity contracts or custodial accounts are owned by the trust and must be paid in accordance with the provisions of the plan document.

Sec. 92. [REVIEW BY STATE BOARD OF INVESTMENT.]

The state board of investment shall be responsible for periodic review of each financial institution under the provisions of section .. (354B.05) as of the effective date of this article. Initial reviews must be with those financial institutions under contract with the state university board and community college board on the effective date of this section. As provided in section .. (354B.05) the state board of investment may retain consulting services, establish a budget for its costs, and charge a proportional share of those costs to those financial institutions, and have all reimbursements collected appropriated to it.

Sec. 93. Minnesota Statutes 1992, section 356.24, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTION; EXCEPTIONS.] (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;

(4) for employees other than personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to:

(i) the state of Minnesota deferred compensation plan under section 352.96; or

(ii) payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; 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; or

(5) for personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to the supplemental retirement plan under sections 354B.07 to 354B.09, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered 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 for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment ~~shall~~ may retain actuarial services to assist it in this determination and in its periodic review. The state board of investment ~~shall~~ may annually establish a budget for its costs in the any determination process and shall and periodic review processes. The state board of investment may charge a proportional share of that budget all costs related to the periodic review to those companies currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids in a determination process to each insurance company selected by the state board of investment. All contracts must be approved before execution by the state board of investment. The state board of investment shall establish policies and procedures under section 11A.04, clause (2), to carry out this paragraph.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

#### Sec. 94. [EARLY RETIREMENT INCENTIVES.]

Subdivision 1. [EMPLOYER PARTICIPATION.] The early retirement incentives provided in this section may be offered to eligible employees by any public employer, as defined in Minnesota Statutes, section 179A.03, subdivision 15. The incentives must be offered by a state agency or state appointing authority that without the incentives would incur layoffs after May 17, 1993.

Subd. 2. [ELIGIBILITY.] A person employed by a public employer offering the incentive is eligible to receive the incentive if the person:

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

(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan, if the person is a member of a defined benefit plan;

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

(4) retires on or after May 17, 1993, and before September 30, 1993.

Subd. 3. [INCENTIVE.] (a) A person may not choose both the incentive in paragraph (b) and the incentive in paragraph (c). An employer that is required to or chooses to offer the incentive must offer each employee eligible for both incentives a choice between the incentive in paragraph (b) or the incentive in paragraph (c).

(b) For a person covered by a retirement plan established in Minnesota Statutes, sections 352.115, 352.116, or 353.29 and 353.30, or chapter 422A, who selects the incentive under this paragraph, the multiplier percentage used to calculate the retirement annuity must be increased by .25 for each year of allowable service credit up to 30 years. For a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, the multiplier percentage used to calculate the retirement annuity must be increased by .10 for each year of allowable service credit up to 30 years.

(c) For a person who selects the incentive under this paragraph, the employer must pay for hospital, medical, and dental insurance, under conditions and limitations specified in this section. A person is eligible for this employer-paid insurance only if the person:

(1) is eligible for employer-paid insurance under a collective bargaining agreement or personnel plan in effect on the day before the effective date of this section;

(2) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement; and

(3) is less than age 65.

(d) An employer that offers incentives under this section may not exclude eligible employees.

Subd. 4. [LIMITS ON REHIRING.] During the biennium ending June 30, 1995:

(1) an executive branch state agency may not hire a replacement for a person who retires under this subdivision except for (i) correctional guards and persons who provide direct patient care in state institutions; (ii) other positions listed in a position-specific executive order issued by the governor; or (iii) in the case of the state universities and community colleges, after review by the presidents, the governing boards decide on a case-by-case basis which positions must be replaced to provide for continuity of service on the campuses; and

(2) another public employer may not hire a replacement for a person who retires under this subdivision, except under position-specific action of the governing body.

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

Subd. 6. [CONDITIONS; INSURANCE COVERAGE.] A retired employee is eligible for single and dependent insurance coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the person chooses not to receive the retirement benefits for which the person has applied, or when the person is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

Subd. 7. [APPLICATION OF OTHER LAWS.] Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of Minnesota Statutes, chapter 179A. The requirement in this section for an employer to pay health insurance costs for certain retired employees is not subject to the limits in Minnesota Statutes, section 179A.20, subdivision 2a.

Sec. 95. [TRANSFER.]

The responsibilities of the commissioner of administration for the office of dispute resolution are transferred under Minnesota Statutes, section 15.039, to the commissioner of mediation services.

## Sec. 96. [SEVERABILITY.]

The provisions of this article are severable. If any provision is found to be unconstitutional, the remaining provisions shall remain valid, unless a court determines that the remaining valid provisions, standing alone, are incapable of being executed in accordance with legislative intent.

## Sec. 97. [REPEALER.]

(a) Minnesota Statutes 1992, section 309.502, is repealed.

(b) Minnesota Statutes 1992, sections 3.3005; 13.02, subdivision 2; 16A.095, subdivision 3; 16A.123; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; 16B.41, subdivisions 3 and 4; and 290A.24, are repealed.

(c) Minnesota Statutes 1992, section 13.072, is repealed effective August 1, 1995.

## Sec. 98. [REVISOR INSTRUCTIONS.]

Subdivision 1. [OFFICE OF INFORMATION POLICY.] In the next edition of Minnesota Statutes, the revisor shall recodify Minnesota Statutes, sections 16B.40; 16B.41; 16B.43; and 16B.44, so that these sections are in the same chapter of Minnesota Statutes as section 48, creating the information policy office.

Subd. 2. [ACCOUNTING SYSTEM.] In the next edition of Minnesota Statutes, the revisor of statutes shall renumber sections 16A.15, subdivision 1, to 16A.152, subdivision 3; 16A.15, subdivision 5, to 16A.152, subdivision 4; 16A.15, subdivision 6, to 16A.152, subdivision 1; 16A.15, subdivision 7, to 16A.152, subdivision 5; 16A.1541 to 16A.152, subdivision 2. The revisor shall also conform cross-references to the renumbered provisions.

## Sec. 99. [EFFECTIVE DATES.]

(a) Section 38 is effective the day following final enactment. Section 38 does not apply if prohibited by contract, but the appointing authority must amend the contract as soon as possible to comply with section 38.

(b) Sections 89 and 97, paragraph (a), are effective on the day following final enactment.

(c) Sections 90 and 93 are effective on the day following final enactment.

(d) Sections 91 and 92 are effective on the day following final enactment.

(e) Section 94 is effective the day following final enactment.

(f) Section 71 is effective June 30, 1995, and applies to appropriations to the legislature, the senate, the house of representatives, or a legislative commission or committee that are unexpended and unencumbered on June 30, 1995.

## ARTICLE 3

## Section 1. [APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

## SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$500,000	\$ 50,530,000	\$ 40,140,000	\$ 90,677,000
Environmental		210,000	210,000	420,000
Minnesota Resources		500,000	-0-	500,000
Trunk Highway		667,000	667,000	1,334,000
TOTAL		51,907,000	41,024,000	92,931,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation 38,053,000 26,687,000

Summary by Fund

General	500,000	36,676,000	25,810,000
Environmental		210,000	210,000
Minnesota Resources		500,000	-0-
Trunk Highway		667,000	667,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Community Development

21,813,000 12,092,000

Summary by Fund

General	21,313,000	12,092,000
Minnesota Resources	500,000	-0-

\$6,000,000 the first year is for transfer to the regional revolving loan fund accounts in the special revenue fund, for the challenge grant program to regional organizations under Minnesota Statutes, section 116N.08.

\$3,700,000 the first year is for the urban challenge grant program under Minnesota Statutes, sections 116M.14 to 116M.18.

\$5,517,000 the first year and \$5,517,000 the second year are for economic recovery grants.

\$226,000 the first year and \$226,000 the second year are for the small cities federal match.

\$1,000,000 the first year is for transfer to the tourism loan account in the special revenue fund, for the tourism loan program under Minnesota Statutes, section 116J.617.

Subd. 3. Minnesota Trade Office

2,026,000 2,040,000

\$105,000 the first year and \$105,000 the second year are for the international information network.

Subd. 4. Tourism

7,371,000 6,792,000

Summary by Fund

General	6,704,000	6,125,000
Trunk Highway	667,000	667,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

To develop maximum private sector involvement in tourism, \$2,000,000 the first year and \$2,000,000 the second year of the amounts appropriated for marketing activities are contingent upon receipt of an equal contribution of nonstate sources that have been certified by the commissioner. Up to one-half of the match may be given in in-kind contributions. This appropriation may not be expended until the money is matched.

In order to maximize marketing grant benefits, the commissioner must give priority for joint venture marketing grants to organizations with year-round sustained tourism activities. For programs and projects submitted, the commissioner must give priority to those that encompass two or more areas or that attract nonresident travelers to the state.

\$250,000 is for tourism promotion and marketing.

\$214,000 the first year and \$200,000 the second year are for the Minnesota film board. This appropriation is available only upon receipt by the board of \$1 in matching contributions of money or in-kind from nonstate sources for every \$3 provided by this appropriation.

\$30,000 in fiscal year 1994 is for the international ringette tournament to be held in South St. Paul and Rosemount in 1994.

Up to \$300,000 the first year is for promoting the women's final four basketball tournament to be held in 1995. This appropriation must be matched by nonstate sources on a one-to-one basis.

\$24,500 each year is for the Lake Superior Center Authority.

Of the amount appropriated for the joint venture program, up to \$30,000 the first year and up to \$30,000 the second year are available to the Minnesota Indian tourism association. This appropriation must be matched by nonstate sources on a one-to-one basis.

The commissioner may use grant dollars or the value of in-kind services to provide the state contribution for the joint venture grant program.

The office of tourism shall: (1) analyze what travel offices of the 50 states and selected foreign governments are doing to promote tourism, including but not limited to organizational structure, funding sources, and marketing programs; and (2) rank Minnesota's position among the states and countries studied.

The office, in consultation with representatives of Minnesota's tourism industry, shall report to the legislature and the governor by January 1, 1994. The report must recommend options for improving the state's competitive position in the industry. The recommendations should deal with assignment of responsibility within state government, funding options for the office of tourism, changes in state law that would enhance tourism, and the creation of a statewide tourism policy.

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994 1995

The commissioner of revenue may disclose the name, address, and phone number of a travel or tourism related business that is authorized to collect sales and use tax to the office of tourism within the department of trade and economic development to be used only within the office of tourism for purposes of contacting travel or tourism related businesses.

If an appropriation for either year for grants is not sufficient, the appropriation for the other year is available for it.

Any unexpended funds from general fund appropriations made under this subdivision shall not cancel but be placed in a special advertising account for use by the office of tourism to purchase additional media.

Subd. 5. Business Development and Analysis

5,182,000 4,089,000

Summary by Fund

General	4,972,000	3,879,000	
Environmental	210,000	210,000	

\$200,000 the first year and \$200,000 the second year are for grants to Advantage Minnesota, Inc.

The funds are available only if matched on at least a one-to-one basis from other sources. The commissioner may release the funds only upon:

- (1) certification that matching funds from each participating organization are available; and
- (2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc., for the biennium.

\$450,000 the first year and \$450,000 the second year are for the state's match for the federal small business development center network. If funding in one year is insufficient, the other year's appropriation is available.

\$190,000 the first year and \$190,000 the second year are for WomenVenture, Inc.

\$65,000 the first year and \$65,000 the second year are for Metropolitan Economic Development Associations, Inc.

\$150,000 each year is for the affirmative enterprise program under Minnesota Statutes, section 116J.874.

\$500,000 in fiscal year 1993 is for job skills partnership grants.

\$1,088,000 the first year is for job skills partnership grants. The commissioners of jobs and training and trade and economic

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994 1995

development, the governor's job training council, and the Minnesota job skills partnership board shall study how to best structure and provide job skills partnership services and report to the legislature the findings and a recommendation by February 1, 1994.

\$50,000 in fiscal year 1994 and \$50,000 in fiscal year 1995 are for a grant to the North Metro Business Retention and Development Commission for the second and third stages of the multicommunity business retention and market expansion pilot project. This appropriation is available only upon demonstration of a dollar-for-dollar cash match from the commission. The commission shall share all results and written reports with the department of trade and economic development.

Subd. 6. Administration

1,761,000	1,774,000
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Subd. 7. General Reduction

(100,000)	(100,000)
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This reduction may be taken in either year of the biennium.

Sec. 3. GOVERNOR AND LIEUTENANT GOVERNOR

3,195,000

3,196,000

This appropriation is to fund the offices of the governor and lieutenant governor.

\$16,000 the first year and \$16,000 the second year are for personal expenses connected with the office of the governor.

\$1,000 the first year and \$1,000 the second year are for personal expenses connected with the office of the lieutenant governor.

\$95,000 the first year and \$95,000 the second year are for membership dues of the National Governors Association.

\$20,000 the first year is for the Council of Great Lakes Governors.

During the biennium any seminars or training sessions regarding federal issues for federal budgeting that are conducted by the Washington office shall be made available to legislators and legislative staff. The Washington office shall notify the ways and means committee of the house and the finance committee of the senate regarding the timing of such seminars.

On August 15 of each year, the commissioner of finance shall report to the chairs of the jobs, energy, and community development finance division of the senate and the state government division of the house of representatives those personnel costs incurred by the office of the governor and the lieutenant governor that were supported by appropriations to other agencies during the previous fiscal year. The office of the governor shall inform the chairs of the divisions before initiating any interagency agreements.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 4. OFFICE OF STRATEGIC AND LONG-RANGE PLANNING	3,435,000	3,702,000

\$803,000 the first year and \$1,072,000 the second year are for the land management information center.

Sec. 5. STATE AUDITOR	7,224,000	7,439,000
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\$77,000 the first year and \$77,000 the second year are for an account the auditor may bill for costs associated with conducting single audits of federal funds. During the biennium, this account may be used only when no other billing mechanism is feasible.

The total amount accumulated during the biennium ending June 30, 1993 for potential back pay of salary and benefit for an employee of the state auditor who was discharged from employment on April 15, 1991, but who is contesting the discharge, shall be carried forward by the office of the state auditor for use in the biennium ending June 30, 1995.

\$45,000 each year is for annual compliance audits for Hennepin county.

Sec. 6. [BASE CUT TRANSFERS.]

For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.

Sec. 7. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this article to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this article to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [CONSTITUTIONAL OFFICERS.] A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the committee on ways and means of the house of representatives before making a transfer under subdivision 1.

Subd. 3. [TRANSFER PROHIBITED.] If an amount is specified in this article for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 8. Minnesota Statutes 1992, section 16B.92, is amended to read:

16B.92 [LAND MANAGEMENT INFORMATION CENTER.]

Subdivision 1. [PURPOSE.] The purpose of the land management information center is to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development. The ~~commissioner~~ director, through the center, shall periodically study land use and natural resources on the basis of county, regional, and other political subdivisions.

Subd. 1a. [STATEWIDE NITRATE DATA BASE.] The ~~commissioner~~ director, through the center, shall maintain a statewide nitrate data base containing the data described in section 103A.403.

Subd. 2. [FEES.] The ~~commissioner~~ director shall set fees under section 16A.128, subdivision 2, reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state treasury and credited to the land management information center revolving account. Money in the account is appropriated to the ~~commissioner~~ director for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the ~~department~~ office that is attributable to the land management information system. The ~~commissioner~~ director may require a state agency to make an advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution.

Sec. 9. [TRANSFER OF LAND MANAGEMENT INFORMATION CENTER.]

Subdivision 1. [TRANSFER.] The land management information center is transferred from the department of administration to the office of strategic and long-range planning, under Minnesota Statutes, section 15.039.

Subd. 2. [REVISOR INSTRUCTION.] In the next edition of Minnesota Statutes, the revisor of statutes shall codify Minnesota Statutes, section 16B.92 in chapter 4A.

Sec. 10. Minnesota Statutes 1992, section 116j.617, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE BORROWER.] To receive a loan under this section, the borrower must be a sole proprietorship, partnership, ~~or corporation, or other person~~ engaged in a tourism-related business or other entity that is defined by the standard industrial classification codes of 7011 and 7033 as set out in the Code of Federal Regulations, title 13, section 121.2. An eligible borrower under this section must maintain the business or other entity as a tourism-related entity as defined by this subdivision during the term of the loan. 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~~ 36 months.

Sec. 11. Minnesota Statutes 1992, section 116j.617, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE LOAN.] The maximum loan made or participated in under this section may not be for more than 50 percent of the total cost of the project. Loan proceeds may be used for the following purposes: acquisition of an existing business, building construction and improvement, land, site improvement, equipment, other construction costs, and engineering costs. Project-related expenditures made more than 30 days before an application may not be financed by a loan made or participated in under this section.

Sec. 12. Minnesota Statutes 1992, section 116j.617, is amended by adding a subdivision to read:

Subd. 6. [INVESTMENT INTEREST.] All interest and profits accruing from the investment of money from the tourism loan account are credited to the account, and any loss incurred in the principal of the investments of the account are borne by the account.

Sec. 13. [116j.874] [AFFIRMATIVE ENTERPRISE PROGRAM.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Business entity" means a sole proprietorship, partnership, limited liability company, or corporation.

(c) "Disabled person" means a person with a disability as defined under section 363.01, subdivision 13.

(d) "Full-time employee" means an employee who is employed for at least 35 hours per week.

Subd. 2. [ESTABLISHMENT.] The commissioner of trade and economic development shall establish the affirmative enterprise program for the purpose of encouraging the full-time employment of disabled persons in areas of economic

need. The commissioner shall determine areas of economic need based on present and past levels of unemployment and population loss, and present and past reductions in industrial and business activity.

Subd. 3. [ELIGIBILITY.] A business entity is eligible for an affirmative enterprise grant if it meets the following criteria:

(1) except in the case of a business entity with fewer than ten employees, it employs at least 25 percent of its full-time employees from persons who are not disabled;

(2) it employs at least 50 percent of its full-time employees from disabled persons;

(3) it maintains an integrated work force of nondisabled and disabled persons at the highest possible level;

(4) every full-time employee has an employee status with all accompanying rights and responsibilities;

(5) the following benefits are provided to each full-time employee:

(i) paid vacation;

(ii) paid holidays;

(iii) paid sick leave;

(iv) a personalized career plan;

(v) retirement with employer participation; and

(vi) a copayment health insurance plan;

(6) a full-time employee selected by all employees of the business entity meets with the business entity's management at least once a month;

(7) each full-time employee is informed of other less restrictive employment when it becomes available;

(8) all full-time employees are required to participate in at least two evaluations per year with accompanying wage adjustments; and

(9) profit sharing based on the business entity's performance is provided to all full-time employees.

Subd. 4. [GRANTS.] Affirmative enterprise grants must be used by the business to provide training and support services to disabled persons in conjunction with economic development.

Subd. 5. [PREFERENCE.] Preference for grant awards must be given to a business entity that: (1) offers ownership options or individual personal improvement plans with employer-sponsored training, has a long-term business plan, and is working collaboratively with the local economic development authority or organization; or (2) has a higher percentage of disabled employees than another eligible entity.

Subd. 6. [EXPIRATION.] This section expires July 1, 1995. By January 1, 1995, the management analysis division of the department of administration shall evaluate the program and if warranted based on outcomes recommend to the legislature a funding source for this program and a state agency to administer the program.

Sec. 14. [116M.14] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this chapter, the following terms have the meaning given them.

Subd. 2. [BOARD.] "Board" means the urban initiative board.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.

Subd. 4. [LOW-INCOME AREA.] "Low-income area" means Minneapolis, St. Paul, and inner ring suburbs that had an adjusted median household income below \$31,000 as reported in the 1990 census.

Subd. 5. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given it in section 473.121, subdivision 2.

Subd. 6. [MINORITY BUSINESS ENTERPRISE.] "Minority business enterprise" means a business that is majority owned and operated by persons belonging to a racial minority.

Sec. 15. [116M.15] [URBAN INITIATIVE BOARD.]

Subdivision 1. [CREATION; MEMBERSHIP.] The urban initiative board is created and consists of the commissioners of trade and economic development and jobs and training, the chair of the metropolitan council, and eight members from the general public appointed by the governor. Six of the public members must be representatives from minority business enterprises. No more than four of the public members may be of one gender. All public members must be experienced in business or economic development.

Subd. 2. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.

Subd. 3. [CHAIR; OTHER OFFICERS.] The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as necessary from its members.

Subd. 4. [STAFF.] The commissioner of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary for the board's activities. The services must include personnel, budget, payroll, and contract administration.

Sec. 16. [116M.16] [POWERS.]

Subdivision 1. [CONTRACTS.] The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. [GIFTS; GRANTS; APPROPRIATION.] The board may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, loan, or agreement. Money received by the board under this subdivision must be deposited in a separate account in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

Sec. 17. [116M.17] [DUTIES.]

Subdivision 1. [GENERAL DUTIES.] The board shall investigate and evaluate methods to enhance urban development, particularly methods relating to economic diversification through minority business enterprises and job creation for minority and other persons in low-income areas. The enterprises shall include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries.

Subd. 2. [TECHNICAL ASSISTANCE.] The board through the department, shall provide technical assistance and development information services to state agencies, regional agencies, special districts, local governments, and the public, with special emphasis on minority communities.

Subd. 3. [BUDGET.] The board shall adopt an annual budget and work program and a biennial budget.

Subd. 4. [REPORTS.] The board shall submit an annual report to the legislature of an accounting of loans made under section 5, including information on loans to minority business enterprises, the impact on low-income areas, and recommendations concerning minority business development and jobs for persons in low-income areas.

Sec. 18. [116M.18] [URBAN CHALLENGE GRANTS PROGRAM.]

Subdivision 1. [ELIGIBILITY RULES.] The board shall make urban challenge grants for use in low-income areas to nonprofit corporations to encourage private investment, to provide jobs for minority persons and others in

low-income areas, to create and strengthen minority business enterprises, and to promote economic development in a low-income area. The board shall adopt rules to establish criteria for determining loan eligibility.

Subd. 2. [CHALLENGE GRANT ELIGIBILITY; NONPROFIT CORPORATION.] The board may enter into agreements with nonprofit corporations to fund loans the nonprofit corporation makes in low-income areas under subdivision 4. A corporation must demonstrate that:

(1) its board of directors includes citizens experienced in development, minority business enterprises, and creating jobs in low-income areas;

(2) it has the technical skills to analyze projects;

(3) it is familiar with other available public and private funding sources and economic development programs;

(4) it can initiate and implement economic development projects;

(5) it can establish and administer a revolving loan account; and

(6) it can work with job referral networks which assist minority and other persons in low-income areas.

Subd. 3. [REVOLVING LOAN FUND.] The board shall establish a revolving loan fund to make grants to nonprofit corporations for the purpose of making loans to new and expanding businesses in a low-income area to promote minority business enterprises and job creation for minority and other persons in low-income areas. Eligible business enterprises include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries. Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the board for approval. The commissioner must give final approval for each loan made by the nonprofit corporation. The amount of a grant may not exceed 50 percent of each loan. The amount of nonstate money must equal at least 50 percent for each loan.

Subd. 4. [BUSINESS LOAN CRITERIA.] (a) The criteria in this subdivision apply to loans made under the urban challenge grant program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the urban challenge grant program.

(c) A loan must be used for a project designed to benefit persons in low-income areas through the creation of job opportunities for them. Among loan applicants, priority must be given, on the basis of the number of permanent jobs created or retained by the project and the proportion of nonpublic money leveraged by the loan. Priority must also be given for loans to the lowest income areas.

(d) The minimum loan is \$5,000 and the maximum is \$150,000.

(e) With the approval of the commissioner, a loan may be used to provide up to 50 percent of the private investment required to qualify for a grant from the economic recovery account.

(f) A loan must be matched by at least an equal amount of new private investment.

(g) A loan may not be used for a retail development project.

(h) The business must agree to work with job referral networks that focus on minority applicants from low-income areas.

Subd. 5. [REVOLVING FUND ADMINISTRATION; RULES.] (a) The board shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered.

(b) Loan repayment amounts equal to one-half of the principal and interest must be deposited in a revolving fund created by the board for challenge grants. The remaining amount of the loan repayment may be deposited in a revolving loan fund created by the nonprofit corporation originating the loan being repaid for further distribution, consistent with the loan criteria specified in subdivision 4.

(c) Administrative expenses of the board may be paid out of the interest earned on loans.

Subd. 6. [RULES.] The board shall adopt rules to implement this section.

Subd. 7. [COOPERATION.] A nonprofit corporation that receives an urban challenge grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. [REPORTING REQUIREMENTS.] A corporation that receives a challenge grant shall:

(1) submit an annual report to the board by September 30 of each year that includes a description of projects supported by the urban challenge grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and persons in low-income areas, the source and amount of money collected and distributed by the urban challenge grant program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the board.

Sec. 19. [SEVERABILITY.]

The provisions of this article are severable. If any provision is found to be unconstitutional, the remaining provisions shall remain valid, unless a court determines that the remaining valid provisions, standing alone, are incapable of being executed in accordance with legislative intent.

Sec. 20. [EFFECTIVE DATES.]

(a) Sections 10 to 12 are effective July 1, 1993.

(b) The fiscal year 1993 appropriation for the job skills partnership act in section 2, subdivision 5, is effective the day following final enactment.

ARTICLE 4

Section 1. [APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1994	1995	TOTAL
General	\$ 2,100,000	\$ 1,934,000	\$ 4,034,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994	1995
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Sec. 2. GAMBLING CONTROL BOARD

1,734,000	1,734,000
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Subdivision 1. Compliance Review Activities

Of the total amount spent each year for compliance review activities, at least 25 percent must be spent only for education and outreach. For purposes of this item "education and outreach" means

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

compliance review activities that are not of a type that can result in the imposition by the board of a penalty against the organization being reviewed.

Subd. 2. General Reduction

(50,000)

(50,000)

This reduction may be taken in either year of the biennium.

Sec. 3. RACING COMMISSION

366,000

200,000

These appropriations may be spent in either year of the biennium.

Sec. 4. STATE LOTTERY BOARD

The director of the state lottery shall reimburse the general fund \$150,000 the first year and \$150,000 the second year for lottery-related costs incurred by the department of public safety, and reimburse the general fund \$300,000 the first year and \$300,000 the second year for costs incurred by the department of human services.

In addition, the director of the state lottery shall reimburse the general fund \$235,000 in fiscal year 1994 and \$240,000 in fiscal year 1995 from the lottery operations account from amounts currently budgeted for operating costs for additional costs incurred by the department of human services. \$235,000 in fiscal year 1994 and \$240,000 in fiscal year 1995 is appropriated to the commissioner of human services and shall be used for compulsive gambling hotline services, outpatient treatment services, felony screening, and compulsive gambling youth education.

The commissioner of human services shall seek voluntary contributions from each Indian gambling casino. Any contributions received are appropriated to the commissioner of human services for the compulsive gambling treatment program under Minnesota Statutes, section 245.98.

Twenty percent of the proceeds of any tax imposed on illegal sports betting are appropriated to the commissioner of public safety for grants to cities to reduce property tax expenditures for gambling enforcement.

Sec. 5. Minnesota Statutes 1992, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR.] A state lottery is established under the supervision and control of the director of the state lottery appointed by the governor with the advice and consent of the senate. The governor shall appoint the first director from a list of at least three persons recommended to the governor by the ~~governor's commission on the lottery which was appointed by the governor on December 8, 1988~~ board. The director must be qualified by experience and training to supervise the lottery. The director serves in the unclassified service. Notwithstanding any other law to the contrary, the salary rate authorized for the director shall be an amount equal to 80 percent of the salary paid to the governor.

Sec. 6. Minnesota Statutes 1992, section 349A.03, subdivision 2, is amended to read:

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;
- (3) review and comment on lottery procurement contracts;
- (4) review and comment on agreements between the director and one or more other lotteries relating to a joint lottery; and
- (5) 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 349A.09; ~~and~~
- (6) ~~to approve additional compensation for the director under subdivision 3.~~

Sec. 7. [SEVERABILITY.]

The provisions of this article are severable. If any provision is found to be unconstitutional, the remaining provisions shall remain valid, unless a court determines that the remaining valid provisions, standing alone, are incapable of being executed in accordance with legislative intent.

Sec. 8. [REPEALER.]

Minnesota Statutes 1992, section 349A.03, subdivision 3, is repealed."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; transferring certain duties and functions; amending Minnesota Statutes 1992, sections 3.971, by adding a subdivision; 3A.02, by adding a subdivision; 13.02, by adding a subdivision; 13.05, subdivision 2; 13.06, subdivisions 1, 4, 5, 6, and 7; 13.07; 15.17, subdivision 1; 15.171; 15.172; 15.173; 15.174; 16A.011, subdivisions 5, 6, and 14; 16A.04, subdivision 1; 16A.055, subdivision 1; 16A.06, subdivision 4; 16A.065; 16A.10, subdivisions 1 and 2; 16A.105; 16A.11, subdivisions 1 and 3; 16A.128, as amended; 16A.129, by adding a subdivision; 16A.15, subdivisions 1, 5, and 6; 16A.17, subdivision 3; 16A.28; 16A.281; 16A.30; 16A.58; 16A.69, subdivision 2; 16A.72; 16B.04, subdivision 2; 16B.24, subdivision 9; 16B.40; 16B.41, as amended; 16B.43; 16B.44; 16B.92; 43A.045; 116.03, subdivision 3; 116J.617, subdivisions 2, 3, and by adding a subdivision; 240A.02, subdivision 1; 240A.03, by adding a subdivision; 270.063; 309.501; 349A.02, subdivision 1; 349A.03, subdivision 2; 352.96, subdivision 3; 354B.05; and 356.24, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; 11A; 13; 15; 15B; 16A; 116J; and 116M; repealing Minnesota Statutes 1992, sections 3.3005; 13.02, subdivision 2; 13.072; 16A.095, subdivision 3; 16A.123; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; 16B.41, subdivisions 3 and 4; 290A.24; 309.502; and 349A.03, subdivision 3."

The motion prevailed and the amendment was adopted.

The Speaker called Rodosovich to the Chair.

Johnson, R., moved to amend S. F. No. 1620, as amended, as follows:

Page 75, line 14, after the period insert:

"The incentives in this section do not apply to a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, employed by a local school board."

Page 76, line 5, delete everything after the period.

Page 76, delete lines 6 to 9

The motion prevailed and the amendment was adopted.

Morrison; Garcia; Reding; Lasley; Leppik; Johnson, A.; Wejcman; Simoneau; Murphy; Bettermann and Macklin moved to amend S. F. No. 1620, as amended, as follows:

Page 3, after line 37, insert:

"\$1,000 of the amount appropriated for fiscal year 1994 must be used to install shelves and hooks in public restrooms in the state office building."

The motion prevailed and the amendment was adopted.

Rukavina moved to amend S. F. No. 1620, as amended, as follows:

Page 9, after line 11, insert:

"All grants made by the System of Technology to Achieve Results (STAR) shall distribute grants in a manner to ensure that grants are awarded throughout the state."

The motion prevailed and the amendment was adopted.

Skoglund, Lynch, Blatz, Kahn, Simoneau and Krueger moved to amend S. F. No. 1620, as amended, as follows:

Page 12, after line 29, insert:

"The commissioner shall seek to enhance the availability of the job-sharing program under Minnesota Statutes, sections 43A.40 to 43A.46 to the extent that: (1) additional employees wish to participate in the program; and (2) use of the program is consistent with effective management of state agencies."

The motion prevailed and the amendment was adopted.

Orenstein moved to amend S. F. No. 1620, as amended, as follows:

Page 6, line 5, delete everything after "Subd. 6."

Page 6, delete lines 6 to 9

Page 6, line 10, delete "officers."

Page 6, line 15, delete "1994" and insert "1995"

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

The Speaker resumed the Chair.

## MOTION FOR RECONSIDERATION

Anderson, I., moved that the vote whereby the Orenstein amendment to S. F. No. 1620, as amended, which was not adopted earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Anderson, I., motion and the roll was called. There were 104 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Delmont	Holsten	Krinkie	Morrison	Perlt	Tompkins
Bauerly	Dempsey	Hugoson	Krueger	Mosel	Peterson	Trimble
Beard	Dorn	Huntley	Leppik	Murphy	Pugh	Van Dellen
Bergson	Evans	Jaros	Lieder	Neary	Reding	Vellenga
Bertram	Farrell	Jefferson	Limmer	Nelson	Rest	Vickerman
Bettermann	Frerichs	Jennings	Lindner	Olson, E.	Rhodes	Wagenius
Blatz	Garcia	Johnson, A.	Lourey	Onnen	Rodosovich	Waltman
Brown, K.	Girard	Johnson, R.	Luther	Opatz	Sarna	Weaver
Carruthers	Goodno	Johnson, V.	Lynch	Orenstein	Seagren	Wenzel
Clark	Greenfield	Kahn	Macklin	Orfield	Sekhon	Winter
Commers	Greling	Kalis	Mahon	Ostrom	Smith	Wolf
Cooper	Gruenes	Kelley	Mariani	Ozment	Stanius	Worke
Dauner	Gutknecht	Kelso	McGuire	Pauly	Steensma	Workman
Dawkins	Hasskamp	Klinzing	Milbert	Pawlenty	Sviggum	Spk. Long
Dehler	Haukoos	Koppendrayer	Molnau	Pelowski	Swenson	

Those who voted in the negative were:

Abrams	Bishop	Hausman	Lasley	Osthoff	Solberg	Wejcman
Anderson, R.	Carlson	Jacobs	McCollum	Rukavina	Sparby	Welle
Asch	Davids	Kinkel	Olson, K.	Simoneau	Tomassoni	
Battaglia	Erhardt	Knickerbocker	Olson, M.	Skoglund	Tunheim	

The motion prevailed.

The Orenstein amendment to S. F. No. 1620, as amended, was again reported to the House as follows:

Page 6, line 5, delete everything after "Subd. 6."

Page 6, delete lines 6 to 9

Page 6, line 10, delete "officers."

Page 6, line 15, delete "1994" and insert "1995"

The motion prevailed and the amendment was adopted.

The Speaker called Bauerly to the Chair.

S. F. No. 1620, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of

certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 8.15; 15.38, by adding a subdivision; 15.50, by adding a subdivision; 15A.083, by adding a subdivision; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 270.063; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; 508.82; 508A.82; and 593.48; Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 129D; 386; and 609; repealing Minnesota Statutes 1992, sections 386.61, subdivision 3; 386.63; 386.64; and 386.70.

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 114 yeas and 18 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brown, C.	Erhardt	Holsten	Olson, K.	Pauly	Swenson
Dehler	Gruenes	Macklin	Olson, M.	Stanius	Vickerman
Dempsey	Gutknecht	Morrison	Onnen	Svigum	Workman

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

Welle was excused for the remainder of today's session.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Tunheim; Peterson; Olson, K.; Kahn and Winter introduced:

H. A. No. 15, A proposal to study Genetic Engineering Regulations.

The advisory was referred to the Committee on Environment and Natural Resources.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 477, A bill for an act relating to traffic regulations; increasing the fine for child passenger restraint system violations; amending Minnesota Statutes 1992, section 169.685, subdivision 5.

H. F. No. 783, A bill for an act relating to the city of Albert Lea; actuarial assumptions for the Albert Lea fire department relief association.

H. F. No. 1474, A bill for an act relating to county records; providing for the use of certain fees; amending Minnesota Statutes 1992, section 357.18, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 237, A bill for an act relating to counties; providing procedures for the combination of the offices of auditor and treasurer; amending Minnesota Statutes 1992, section 375A.10, subdivision 5.

H. F. No. 804, A bill for an act relating to health; providing an exception to the contested case hearing process required for changing the service area of an ambulance service; amending Minnesota Statutes 1992, section 144.802, by adding a subdivision.

H. F. No. 1525, A bill for an act relating to occupations and professions; abstracters; providing for certain applicants to be exempt from the bond and liability insurance requirement; amending Minnesota Statutes 1992, section 386.66.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 350, A bill for an act relating to education; prekindergarten through grade 12; providing for general education; transportation; special programs; early childhood, community, and adult education; facilities; organization and cooperation; access to excellence; other education programs; miscellaneous provisions; choice programs; libraries; state agencies; and realignment of responsibilities; making conforming changes; appropriating money; amending Minnesota Statutes 1992, sections 3.873, subdivisions 4, 5, 6, 7, and 9; 120.06, subdivision 3; 120.062, subdivision 5, and by adding a subdivision; 120.0621; 120.064, subdivisions 3, 4, and 16; 120.0751, subdivisions 1, 2, 3, and 4; 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 120.17, subdivision 7a; 120.73, subdivision 1; 120.75; 121.15, subdivision 4; 121.16, subdivision 1; 121.201, subdivision 1; 121.585, subdivision 8; 121.612, subdivisions 2 and 4; 121.831; 121.88, subdivision 8; 121.882, subdivision 2b; 121.901, subdivisions 1 and 2; 121.902; 121.904, subdivisions 4a, 4e, and 14; 121.912, subdivision 6, and by adding a subdivision; 121.9121; 121.914, subdivision 3; 121.934, subdivision 1; 121.935, subdivisions 2 and 5; 121.936; 122.22, by adding a subdivision; 122.242, subdivision 9; 122.531, subdivision 4a; 122.895, subdivision 2, and by adding subdivisions; 123.34, subdivision 9; 123.35, subdivision 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 5, 6, 6b, 6c, and 8; 123.36, by adding a subdivision; 123.39, by adding a subdivision; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, and 4; 123.7045; 123.71, subdivision 1; 123.932, subdivision 7; 123.935, subdivision 7; 123.947; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1 and 4;

124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 1 and 4; 124.195, subdivisions 8 and 9; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, and 7e; 124.226, subdivisions 1, 3, 9, and by adding a subdivision; 124.243, subdivisions 1, 2, 2a, 6, and 8; 124.248, subdivision 4; 124.26, subdivision 2; 124.2601, subdivisions 4 and 6; 124.261, subdivision 1; 124.2615, subdivisions 2 and 3; 124.2711, subdivision 1; 124.2714; 124.2721, subdivisions 1 and 3; 124.2725, subdivisions 2, 4, 5, 6, 10, and 13; 124.273, by adding a subdivision; 124.276, subdivision 3; 124.32, subdivision 1d; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.332, subdivision 2; 124.37; 124.38, by adding a subdivision; 124.431, subdivisions 1, 1a, 2, and 14; 124.48, subdivisions 1 and 3; 124.494, subdivisions 1, 2, and by adding a subdivision; 124.573, subdivision 3; 124.574, by adding a subdivision; 124.625; 124.64; 124.645, subdivisions 1 and 2; 124.69, subdivision 1; 124.73, subdivision 1; 124.79; 124.83, subdivisions 1, 2, 4, 6, and by adding a subdivision; 124.84, subdivision 3; 124.91, subdivision 3; 124.912, subdivisions 2 and 3; 124.95, subdivisions 1, 2, 2a, and 3; 124.961; 124A.03, subdivision 1c, and by adding a subdivision; 124A.22, subdivisions 2, 4, 5, 6, 8, and 9; 124A.23, subdivision 1; 124A.26, subdivision 1, and by adding a subdivision; 124A.27, subdivision 2; 124A.29, subdivision 1; 124A.70; 124A.72; 124C.08, subdivision 1; 125.05, subdivision 1a; 125.185, subdivisions 4 and 6; 125.1885, subdivision 3; 125.189; 126.151, subdivision 2; 126.22, subdivisions 2, 3, 3a, and 4; 126.239, subdivision 3; 126.267; 126.268, subdivision 2; 126.52, subdivisions 8 and 9; 126.54, subdivision 1; 126.56, subdivisions 4a and 7; 126.665; 126.67, subdivision 8; 126.70, subdivision 2a; 126A.07, subdivision 1; 127.15; 127.455; 127.46; 128A.024, subdivision 2; 128A.03, subdivision 2; 128C.02, by adding a subdivision; 129C.10, subdivision 1, and by adding a subdivision; 134.31, subdivisions 1, 2, and 5; 134.32, subdivision 8; 145A.10, subdivision 5; 256E.03, by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivision 2, and by adding a subdivision; 275.48; 473F.02, by adding a subdivision; and 475.61, subdivision 3; Laws 1991, chapters 256, article 8, section 14, as amended; 265, articles 1, section 30; and 2, section 19, subdivision 2; and Laws 1992, chapters 499, article 8, section 33; 571, article 10, section 29; proposing coding for new law in Minnesota Statutes, chapters 4; 121; 124; 124A; 124C; 125; 126; 128A; repealing Minnesota Statutes 1992, sections 120.0621, subdivision 5; 121.87; 124.197; 124.2721, subdivisions 2 and 4; 124.32, subdivision 5; 124.615; 124.62; 125.703; 126.22, subdivision 2a; 145.926; and Laws 1988, chapter 486, section 59.

The Senate has appointed as such committee:

Mr. Pogemiller; Mses. Krentz and Pappas; Messrs. Beckman and Janezich.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 57, A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Murphy moved that the House concur in the Senate amendments to H. F. No. 57 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 57, A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver

endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

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

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

Madam Speaker:

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

H. F. No. 592, A bill for an act relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead insurance proceeds; amending Minnesota Statutes 1992, sections 510.01; 510.02; 510.07; 510.08; and 550.175, subdivisions 3 and 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Pugh moved that the House concur in the Senate amendments to H. F. No. 592 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 592, A bill for an act relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead insurance proceeds; increasing the exemption for motor vehicles modified to accommodate a disability; amending Minnesota Statutes 1992, sections 510.01; 510.02; 510.07; 510.08; 550.175, subdivisions 3 and 4; and 550.37, subdivision 12a.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 576, A bill for an act relating to state government; providing for appointments to advisory task forces, councils, and committees, administrative boards, and agencies; clarifying reporting requirements and term limits; amending Minnesota Statutes 1992, sections 15.014, subdivision 2; 15.0575, subdivision 2; 15.059, subdivision 2; 15.0597, subdivisions 2, 4, 5, and 7; and 214.09, subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Greiling moved that the House concur in the Senate amendments to H. F. No. 576 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 576, A bill for an act relating to state government; providing for appointments to advisory task forces, councils, and committees, administrative boards, and agencies; clarifying reporting requirements and term limits; amending Minnesota Statutes 1992, sections 15.0575, subdivision 2; 15.059, subdivision 2; 15.0597, subdivisions 2, 4, and 7; and 214.09, 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 88 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Battaglia	Bergson	Brown, C.	Carruthers	Dauner	Dempsey
Anderson, R.	Bauerly	Bertram	Brown, K.	Clark	Dawkins	Dorn
Asch	Beard	Bishop	Carlson	Cooper	Delmont	Erhardt

Evans	Jefferson	Krueger	Morrison	Ostrom	Sekhon	Tunheim
Farrell	Jennings	Lasley	Mosel	Perlt	Simoneau	Vellenga
Garcia	Johnson, A.	Lieder	Munger	Peterson	Skoglund	Wagenius
Goodno	Johnson, R.	Lourey	Murphy	Pugh	Smith	Wejcman
Greiling	Kahn	Luther	Neary	Reding	Solberg	Wenzel
Hasskamp	Kalis	Mahon	Olson, K.	Rest	Sparby	Winter
Hausman	Kelley	Mariani	Opatz	Rhodes	Stanius	Spk. Long
Huntley	Kelso	McCollum	Orenstein	Rodosovich	Steensma	
Jacobs	Kinkel	McGuire	Orfield	Rukavina	Tomassoni	
Jaros	Knickerbocker	Milbert	Osthoff	Sarna	Trimble	

Those who voted in the negative were:

Abrams	Frerichs	Johnson, V.	Lynch	Olson, M.	Seagren	Waltman
Bettermann	Girard	Klinzing	Macklin	Onnen	Sviggum	Weaver
Blatz	Gruenes	Koppendrayer	Molnau	Ozment	Swenson	Wolf
Commers	Haukoos	Krinkie	Nelson	Pauly	Tompkins	Worke
Davids	Holsten	Limmer	Ness	Pawlenty	Van Dellen	Workman
Dehler	Hugoson	Lindner	Olson, E.	Pelowski	Vickerman	

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

Madam Speaker:

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

H. F. No. 670, A bill for an act relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment; amending Minnesota Statutes 1992, section 62A.152, subdivisions 2 and 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Lourey moved that the House concur in the Senate amendments to H. F. No. 670 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 670, A bill for an act relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment; amending Minnesota Statutes 1992, section 62A.152, subdivisions 2 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 110 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Carlson	Garcia	Kahn	Lynch	Nelson	Perlt
Anderson, R.	Carruthers	Greiling	Kalis	Macklin	Ness	Peterson
Asch	Clark	Hasskamp	Kelley	Mahon	Olson, E.	Pugh
Battaglia	Commers	Hausman	Kelso	Mariani	Olson, K.	Reding
Bauerly	Cooper	Holsten	Kinkel	McCollum	Opatz	Rest
Beard	Dauner	Huntley	Klinzing	McGuire	Orenstein	Rhodes
Bergson	Davids	Jacobs	Knickerbocker	Milbert	Orfield	Rodosovich
Bertram	Dawkins	Jaros	Krueger	Molnau	Osthoff	Rukavina
Bettermann	Delmont	Jefferson	Lasley	Morrison	Ostrom	Sarna
Bishop	Dempsey	Jennings	Leppik	Mosel	Ozment	Seagren
Blatz	Dorn	Johnson, A.	Lieder	Munger	Pauly	Sekhon
Brown, C.	Evans	Johnson, R.	Lourey	Murphy	Pawlenty	Simoneau
Brown, K.	Farrell	Johnson, V.	Luther	Neary	Pelowski	Skoglund

Smith	Stanius	Tomassoni	Tunheim	Wagenius	Wenzel	Spk. Long
Solberg	Steensma	Tompkins	Van Dellen	Weaver	Winter	
Sparby	Swenson	Trimble	Vellenga	Wejzman	Wolf	

Those who voted in the negative were:

Abrams	Frerichs	Gruenes	Krinkie	Olson, M.	Vickerman	Workman
Dehler	Girard	Haukoos	Limmer	Onnen	Waltman	
Erhardt	Goodno	Koppendraye	Lindner	Sviggum	Worke	

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

Madam Speaker:

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

S. F. No. 1496, A bill for an act relating to health care and family services; the organization and operation of state government; appropriating money for human services, health, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 62A.045; 144.122; 144.123, subdivision 1; 144.215, subdivision 3; 144.226, subdivision 2; 144.3831, subdivision 2; 144.802, subdivision 1; 144.98, subdivision 5; 144A.071; 144A.073, subdivisions 2, 3, and by adding a subdivision; 147.01, subdivision 6; 147.02, subdivision 1; 148C.01, subdivisions 3 and 6; 148C.02; 148C.03, subdivisions 1, 2, and 3; 148C.04, subdivisions 2, 3, and 4; 148C.05, subdivision 2; 148C.06; 148C.11, subdivision 3, and by adding a subdivision; 149.04; 157.045; 198.34; 214.04, subdivision 1; 214.06, subdivision 1, and by adding a subdivision; 245.464, subdivision 1; 245.466, subdivision 1; 245.474; 245.4873, subdivision 2; 245.652, subdivisions 1 and 4; 246.02, subdivision 2; 246.151, subdivision 1; 246.18, subdivision 4; 252.025, subdivision 4, and by adding subdivisions; 252.275, subdivision 8; 252.50, by adding a subdivision; 253.015, subdivision 1, and by adding subdivisions; 253.202; 254.04; 254.05; 254A.17, subdivision 3; 256.015, subdivision 4; 256.025, subdivisions 1; 2, 3, and 4; 256.73, subdivisions 2, 3a, 5, and 8; 256.736, subdivisions 10, 10a, 14, 16, and by adding a subdivision; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; 256.74, subdivision 1; 256.78; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding subdivisions; 256.9685, subdivision 1; 256.969, subdivisions 1, 8, 9, as amended, and 22, as amended; 256.9695, subdivision 3; 256.983, subdivision 3; 256B.042, subdivision 4; 256B.055, subdivision 1; 256B.056, subdivisions 1a and 2; 256B.0575; 256B.059, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.0625, subdivisions 13, 13a, 15, 17, 25, 28, 29, and by adding subdivisions; 256B.0913, subdivision 5; 256B.0915, subdivision 3; 256B.15, subdivisions 1 and 2; 256B.19, subdivision 1b, and by adding subdivisions; 256B.37, subdivisions 3, 5, and by adding a subdivision; 256B.421, subdivision 14; 256B.431, subdivisions 2b, 2c, 13, 14, 15, 21, and by adding subdivisions; 256B.432, by adding a subdivision; 256B.48, subdivision 1; 256B.50, subdivision 1b, and by adding subdivisions; 256B.501, subdivisions 1, 3g, 3i, and by adding a subdivision; 256D.03, subdivisions 3, 4, and 8; 256D.05, by adding a subdivision; 256D.051, subdivisions 1, 1a, 2, 3, and 6; 256D.35, subdivision 3a; 256D.44, subdivisions 2 and 3; 256F.06, subdivision 2; 256L.01; 256L.02; 256L.03, subdivisions 2, 3, and by adding subdivisions; 256L.04, subdivisions 1, 2, 3, and by adding subdivisions; 256L.05, subdivisions 1, 1a, 8, and by adding a subdivision; 256L.06; 257.3573, by adding a subdivision; 257.54; 257.541; 257.55, subdivision 1; 257.57, subdivision 2; 257.73, subdivision 1; 257.74, subdivision 1; 259.431, subdivision 5; 273.1392; 273.1398, subdivision 5b; 275.07, subdivision 3; 326.44; 326.75, subdivision 4; 388.23, subdivision 1; 393.07, subdivisions 3 and 10; 518.156, subdivision 1; 518.551, subdivision 5; 518.64, subdivision 2; 609.821, subdivisions 1 and 2; 626.559, by adding a subdivision; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; and Laws 1992, chapter 513, article 7, section 131; proposing coding for new law in Minnesota Statutes, chapters 136A; 245; 246; 256; 256B; 256E; 256F; 257; and 514; proposing coding for new law as Minnesota Statutes, chapters 246B; and 252B; repealing Minnesota Statutes 1992, sections 144A.071, subdivisions 4 and 5; 148B.72; 256.985; 256L.03, subdivision 4; 256L.05, subdivisions 4, 9, and 10; 256L.051; 273.1398, subdivisions 5a and 5c.

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

Mr. Samuelson; Meses. Berglin and Piper; Messrs. Day and Sams.

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

Greenfield moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 1496. The motion prevailed.

### CONSENT CALENDAR

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1749 and 218.

H. F. No. 1749 was reported to the House.

Kalis moved to amend H. F. No. 1749, the first engrossment, as follows:

Page 5, delete lines 16 to 19

Page 5, line 20, delete "and the parts" and insert "balance"

Page 5, line 22, delete "are for" and insert "is"

Page 5, delete line 23

Page 5, line 24, delete "Moose Lake, and"

Page 5, line 25, after "Brainerd" insert ", must also be used for this facility"

Page 8, line 32, delete "160,000" and insert "150,000"

Adjust totals accordingly

The motion prevailed and the amendment was adopted.

Kelso and Mahon moved to amend H. F. No. 1749, the first engrossment, as amended, as follows:

Page 8, line 12, delete "5,900,000" and insert "14,100,000"

Adjust totals accordingly

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The question was taken on the Kelso and Mahon amendment and the roll was called. There were 36 yeas and 93 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Kelso	Macklin	Ostrom	Sviggum
Bettermann	Erhardt	Knickerbocker	Mahon	Ozment	Tompkins
Blatz	Garcia	Koppendrayer	Molnau	Pauly	Van Dellen
Commers	Gutknecht	Limmer	Morrison	Pawlenty	Weaver
Davids	Holsten	Lindner	Olson, K.	Rhodes	Wolf
Dehler	Hugoson	Lynch	Olson, M.	Seagren	Workman

Those who voted in the negative were:

Anderson, I.	Cooper	Huntley	Krueger	Ness	Rukavina	Vellenga
Anderson, R.	Dauner	Jacobs	Lasley	Olson, E.	Sarna	Vickerman
Asch	Dawkins	Jaros	Leppik	Onnen	Sekhon	Wagenius
Battaglia	Delmont	Jefferson	Lieder	Opatz	Simoneau	Waltman
Bauerly	Dempsey	Jennings	Lourey	Orenstein	Skoglund	Wejzman
Beard	Evans	Johnson, A.	Luther	Orfield	Smith	Wenzel
Bergson	Farrell	Johnson, R.	McCollum	Osthoff	Solberg	Winter
Bertram	Frerichs	Johnson, V.	McGuire	Pelowski	Sparby	Worke
Bishop	Girard	Kahn	Milbert	Perlt	Stanius	Spk. Long
Brown, C.	Goodno	Kalis	Mosel	Peterson	Steensma	
Brown, K.	Greiling	Kelley	Munger	Pugh	Swenson	
Carlson	Gruenes	Kinkel	Murphy	Reding	Tomassoni	
Carruthers	Hasskamp	Klinzing	Neary	Rest	Trimble	
Clark	Haukoos	Krinkie	Nelson	Rodosovich	Tunheim	

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

Olson, M., and Bauerly moved to amend H. F. No. 1749, the first engrossment, as amended, as follows:

Page 4, line 8, delete "7,100,000" and insert "15,405,000"

Page 4, after line 37, insert:

"Subd. 5. Capital Loan; Big Lake School District.

8,305,000

From the maximum effort school loan fund to make a capital loan to independent school district no. 727 in Big Lake as provided in Minnesota Statutes, sections 124.36 to 124.46.

\$8,305,000 is approved for a capital loan to independent school district No. 727 in Big Lake, provided that the loan not be paid to the school district until the commissioner of finance determines that there are sufficient moneys in the state's maximum effort loan repayment account to pay all principal and interest due and to become due in the biennium ending June 30, 1995, for all existing maximum effort bond issues, including the issue authorized in section 18, subdivision 3. The loan must be used for construction of a new high school; remodeling, acquisition of equipment and improvements to the existing elementary school; and conversion of the present high school to a middle school with related improvements and equipment. This is a 15 percent reduction in the amount of the loan recommended by the state board of education.

The commissioner shall review the proposed plan and budgets of the project and may reduce the amount of the loan to ensure that the project will be economical. The commissioner may recover the cost incurred by the commissioner for any professional services associated with the final review by reducing the proceeds of the loan paid to the district."

Page 9, after line 46, insert:

"Subd. 3. [MAXIMUM EFFORT SCHOOL LOAN FUND.] To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance, on request of the governor, shall sell and issue bonds of the state in an amount up to \$8,305,000 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. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund."

Re-number succeeding subdivisions

Adjust totals accordingly

The Speaker resumed the Chair.

The question was taken on the Olson, M., and Bauerly amendment and the roll was called. There were 40 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Bauerly	Erhardt	Johnson, V.	Lindner	Olson, M.	Seagren	Weaver
Bettermann	Frerichs	Klinzing	Lynch	Onner	Stanius	Wolf
Blatz	Gruenes	Krickerbocker	Macklin	Opatz	Sviggum	Worke
Commers	Gutknecht	Koppendrayner	Molnau	Ozment	Swenson	Workman
Davids	Holsten	Krinkie	Morrison	Pauly	Van Dellen	
Dehler	Hugoson	Limmer	Ness	Pawlenty	Waltman	

Those who voted in the negative were:

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

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

Bauerly was excused for the remainder of today's session.

H. F. No. 1749, 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; authorizing state bonding; appropriating money; amending Minnesota Statutes, section 16B.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 124C; and 137.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hasskamp

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

H. F. No. 218 was reported to the House.

Kahn, Krueger, Bishop, Abrams, Solberg, Simoneau and Battaglia moved to amend H. F. No. 218, the first engrossment, as follows:

Page 1, line 16, after "zoo." insert "It is the legislative intent that this exhibit shall include the marine species of penquins named spheniscus demersus."

The motion prevailed and the amendment was adopted.

H. F. No. 218, 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; authorizing a marine education center at the Minnesota zoological garden; authorizing issuance of bonds; appropriating money, with certain conditions.

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

The question was taken on the passage of the bill and the roll was called. There were 94 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hausman	Lieder	Olson, K.	Seagren	Vellenga
Anderson, I.	Dehler	Holsten	Lourey	Orfield	Sekhon	Vickerman
Anderson, R.	Delmont	Hugoson	Luther	Ostrom	Simoneau	Waltman
Asch	Dempsey	Jacobs	Lynch	Ozment	Skoglund	Weaver
Battaglia	Dorn	Jennings	Macklin	Pauly	Smith	Wejcman
Beard	Erhardt	Johnson, A.	McGuire	Pawlenty	Solberg	Wenzel
Bettermann	Farrell	Johnson, R.	Milbert	Pelowski	Sparby	Wolf
Bishop	Frerichs	Johnson, V.	Molnau	Perlt	Stanius	Worke
Blatz	Girard	Kahn	Morrison	Pugh	Sviggum	Workman
Brown, C.	Goodno	Kalis	Mosel	Reding	Swenson	Spk. Long
Brown, K.	Greenfield	Kelley	Munger	Rest	Tomassoni	
Carlson	Gruenes	Kelso	Murphy	Rhodes	Tompkins	
Carruthers	Gutknecht	Knickerbocker	Ness	Rodosovich	Tunheim	
Commers	Haukoos	Leppik	Olson, E.	Sarna	Van Dellen	

Those who voted in the negative were:

Bergson	Evans	Jefferson	Lasley	Neary	Osthoff	Winter
Bertram	Garcia	Kinkel	Limmer	Nelson	Peterson	
Clark	Greiling	Klinzing	Lindner	Olson, M.	Rukavina	
Cooper	Hasskamp	Koppendrayner	Mahon	Onnen	Steensma	
Dauner	Huntley	Krinkie	Mariani	Opatz	Trimble	
Dawkins	Jaros	Krueger	McCollum	Orenstein	Wagenius	

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

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

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today, Tuesday, April 27, 1993:

H. F. No. 659; S. F. No. 384; H. F. Nos. 828, 784, 623 and 343; S. F. Nos. 1602 and 754; H. F. No. 1098; S. F. No. 1006; H. F. Nos. 511, 655, 747 and 1058; S. F. No. 240; H. F. Nos. 18 and 316; and S. F. No. 1466.

#### SPECIAL ORDERS

H. F. No. 287 was reported to the House.

Wagenius, Winter and Trimble moved to amend H. F. No. 287, the first engrossment, as follows:

Page 14, line 23, after "state" insert "or federal"

Page 14, line 28, before "sale" insert "retail"

Page 14, line 33, after "that" insert ", as waste,"

Page 14, line 34, delete "human health or"

Page 15, line 1, delete "a hazardous product may not be offered for sale" and insert "a manufacturer may not knowingly offer a hazardous product for distribution, sale,"

Page 15, line 8, after the period insert "For the purposes of this subdivision, a retailer or a distributor is not a manufacturer and is not subject to the requirements of this section."

The motion prevailed and the amendment was adopted.

Leppik moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 18, after line 27, insert:

"Sec. 25. [116.93] [LAMP RECYCLING FACILITY; PERMITS OR LICENSES.]

(a) A person may not operate a lamp recycling facility without obtaining a permit or license for the facility from the agency. The permit or license must require:

(1) a plan for response to releases, including emergency response;

(2) proof of financial responsibility for closure and any necessary postclosure care at the facility, which may include a performance bond or other insurance; and

(3) liability insurance or another financial mechanism that provides proof of financial responsibility for response actions required under chapter 115B.

(b) For the purposes of this subdivision, "lamp recycling facility" means a facility operated to remove, recover, and recycle for reuse mercury or other hazardous materials from fluorescent or high intensity discharge lamps.

(c) A lamp recycling facility that is licensed or permitted by a county under section 473.811, subdivision 5b, complies with this subdivision if the license or permit held by the facility contains at least all the terms and conditions required by the agency for a license or permit issued under this subdivision.

(d) A lamp recycling facility with a demonstrated capability for recycling in operation prior to adoption of rules for a licensing or permitting process for the facility by the agency may continue to operate in accordance with a compliance agreement or other approval by the commissioner until a license or permit is issued by the agency under this subdivision."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Peterson moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 4, line 28, delete "June 1, 1994" and insert "January 1, 1995"

The motion prevailed and the amendment was adopted.

Ozment moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 22, delete section 32

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Ozment moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 16, line 9, after "facility" insert ", other than a private recycling facility,"

The motion prevailed and the amendment was adopted.

Delmont moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 15, line 17, after "aircraft" insert "or to medical devices"

The motion prevailed and the amendment was adopted.

Brown, C.; Winter; Bertram; Wenzel and Peterson moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Pages 14 and 15, delete section 22

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Brown, C., et al amendment and the roll was called. There were 70 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Goodno	Kalis	Lieder	Nelson	Perl
Anderson, I.	Dehler	Gruenes	Kinkel	Limmer	Ness	Peterson
Bertram	Delmont	Haukoos	Klinzing	Lindner	Olson, E.	Rhodes
Bettermann	Dempsey	Holsten	Knickerbocker	Lynch	Olson, K.	Rodosovich
Brown, C.	Erhardt	Hugoson	Koppendrayner	Mahon	Olson, M.	Seagren
Commers	Frerichs	Jennings	Krinkie	Molnau	Onnen	Simoneau
Cooper	Garcia	Johnson, R.	Krueger	Morrison	Opatz	Smith
Dauner	Girard	Johnson, V.	Lasley	Mosel	Pelowski	Sparby

Stanuis	Sviggum	Tompkins	Van Dellen	Waltman	Winter	Worke
Steensma	Swenson	Turheim	Vickerman	Wenzel	Wolf	Workman

Those who voted in the negative were:

Anderson, R.	Carruthers	Hausman	Leppik	Murphy	Reding	Wagenius
Asch	Clark	Huntley	Lourey	Neary	Rest	Weaver
Battaglia	Dorn	Jacobs	Luther	Orenstein	Rukavina	Wejcmn
Beard	Evans	Jaros	Macklin	Orfield	Sarna	Spk. Long
Bergson	Farrell	Jefferson	Mariani	Ostrom	Sekhon	
Bishop	Greenfield	Johnson, A.	McCollum	Ozment	Skoglund	
Blatz	Greiling	Kahn	McGuire	Pauly	Tomassoni	
Brown, K.	Gutknecht	Kelley	Milbert	Pawlenty	Trimble	
Carlson	Hasskamp	Kelso	Munger	Pugh	Vellenga	

The motion prevailed and the amendment was adopted.

Wejcmn, Skoglund, Wagenius and Orfield moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 31, after line 22, insert:

"Sec. 51. [BASE UNITS FOR HOMESTEADED MULTIUNIT DWELLINGS.]

Upon application by an owner of a homesteaded multiunit dwelling, a local government unit that collects charges for solid waste collection directly from waste generators shall allocate a single base unit to not more than three dwelling units. The number of base units allocated to a multiunit dwelling must be sufficient to contain the amount of waste generated by the dwelling's occupants. This section expires January 1, 1995."

Reorder the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 30, after the semicolon insert "requiring a certain number of base units for homesteaded multiunit dwellings;"

The motion prevailed and the amendment was adopted.

Ozment moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 11, line 23, delete "nonresidential"

The motion prevailed and the amendment was adopted.

McCollum moved to amend H. F. No. 287, the first engrossment, as amended, as follows:

Page 10, after line 31, insert:

"This section does not apply to antifreeze placed in a wastewater collection system that includes a publicly owned treatment works that is permitted by the agency until July 1, 1995."

The motion prevailed and the amendment was adopted.

H. F. No. 287, A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

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 113 yeas and 18 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Girard	Johnson, V.	Krinkie	Ness	Pelowski	Tunheim
Hugoson	Kalis	Lieder	Olson, E.	Rodosovich	Vickerman
Jennings	Koppendraye	Lindner	Olson, M.	Tompkins	Workman

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

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

## GENERAL ORDERS

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

## MOTIONS AND RESOLUTIONS

Limmer moved that the name of Wenzel be added as an author on H. F. No. 1408. The motion prevailed.

Bettermann moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 23, 1993, when the vote was taken on the Knickerbocker and Kelso amendment to H. F. No. 350, the third engrossment, as amended." The motion prevailed.

Olson, M., moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 23, 1993, when the vote was taken on the final passage of H. F. No. 1720." The motion prevailed.

Winter moved that H. F. No. 199, now on General Orders, be re-referred to the Committee on Ways and Means. The motion prevailed.

Rhodes moved that H. F. No. 703 be returned to its author. The motion prevailed.

Cooper moved that H. F. No. 990 be returned to its author. The motion prevailed.

House Concurrent Resolution No. 2 was reported to the House.

Carlson moved that House Concurrent Resolution No. 2 be now adopted.

### HOUSE CONCURRENT RESOLUTION NO. 2

A house concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

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

The House of Representatives and the Senate shall meet in joint convention on Wednesday, April 28, 1993, at 12 o'clock, noon in the chamber of the House of Representatives to elect members to the Board of Regents of the University of Minnesota.

The motion prevailed and House Concurrent Resolution No. 2 was adopted.

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1496:

Greenfield; Anderson, R.; Simoneau; Lourey and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1570:

Battaglia, Osthoff, Trimble, Munger and Johnson, V.

#### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:30 a.m., Wednesday, April 28, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:30 a.m., Wednesday, April 28, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION -- 1993

## FORTY-FIFTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 28, 1993

The House of Representatives convened at 9:30 a.m. and was called to order by Dee Long, Speaker of the House.

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

The roll was called and the following members were present:

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

A quorum was present.

Krinkie was excused until 10:25 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Greiling 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 STANDING COMMITTEES

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

H. F. No. 50, A bill for an act relating to agriculture; changing the apiary laws; reducing an appropriation; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.52, subdivision 1; 19.55; 19.56; 19.58, subdivisions 1, 2, and 4; 19.59; 19.64, subdivisions 1 and 4a; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4.

Reported the same back with the following amendments:

Page 4, line 7, strike "honey bee" and strike "or"

Page 4, line 10, strike "either" and strike "or"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 272, A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.46; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.09; 297C.10, subdivision 1; 299A.02; 299A.30; 299A.31, subdivision 1; 299A.331, subdivision 1; 299A.38, subdivision 1; 299C.01; 299C.03; 299C.06; 299C.13; 299C.50; 299F.01; 299F.05, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; and 299A.01; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7.

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

The report was adopted.

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

H. F. No. 299, A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

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

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 467, A bill for an act relating to local government; requiring reimbursement to county for administrative expenses of special assessments; modifying date for submission of rental statements by housing and redevelopment authority; amending Minnesota Statutes 1992, sections 429.061, by adding a subdivision; and 469.040, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 11, before "A" insert "Notwithstanding any general or special law to the contrary,"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 514, A bill for an act relating to the environment; providing for passive bioremediation; providing for review of agency employee decisions; increasing membership of petroleum tank release compensation board; establishing a fee schedule of costs or criteria for evaluating reasonableness of costs submitted for reimbursement; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing board to delegate its reimbursement powers and duties to the commissioner of commerce; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 115C.02, subdivision 10; 115C.03, by adding subdivisions; 115C.07, subdivisions 1, 2, and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, 3c, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12.

Reported the same back with the following amendments:

Page 7, line 12, reinstate the stricken language and delete the new language

Page 7, line 13, strike the old language and delete the new language

Page 7, line 14, strike "costs" and delete the new language

Page 7, delete line 15

Page 7, lines 16 and 17, delete the new language and insert "90 percent of the total reimbursable costs on the first \$250,000 and 75 percent on any remaining costs in excess of \$250,000 on a site"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 948, A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; appropriating money; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; and 326.94, subdivision 1.

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

The report was adopted.

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

H. F. No. 1094, A bill for an act relating to insurance; regulating fees, data collection, coverages, notice provisions, enforcement provisions, the Minnesota joint underwriting association and the liquor liability assigned risk plan; enacting the NAIC model regulation relating to reporting requirements for licensees seeking to do business with certain unauthorized multiple employer welfare arrangements; making various technical changes; amending Minnesota Statutes 1992, sections 13.71, by adding subdivisions; 45.024, subdivision 2; 59A.12, by adding a subdivision; 60A.02, by adding a subdivision; 60A.03, subdivisions 5 and 6; 60A.052, subdivision 2; 60A.082; 60A.085; 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.206, subdivision 3; 60A.21, subdivision 2; 60A.36, by adding a subdivision; 60C.22; 60K.06; 60K.14, subdivision 4; 60K.19, subdivision 5; 61A.02, subdivision 2; 61A.031; 61A.04; 61A.07; 61A.071; 61A.073;

61A.074, subdivision 1; 61A.08; 61A.09, subdivision 1; 61A.092, by adding a subdivision; 61A.12, subdivision 1; 61A.282, subdivision 2; 62A.047; 62A.148; 62A.153; 62A.43, subdivision 4; 62E.19, subdivision 1; 62H.01; 62I.02; 62I.03; 62I.07; 62I.13, subdivisions 1 and 2; 62I.20; 65A.01, subdivision 1; 65A.29, subdivision 7; 65B.49, subdivision 3; 72A.20, subdivision 29; 72A.201, subdivision 9; 72A.41, subdivision 1; 72B.03, subdivision 1; 72B.04, subdivision 2; 176.181, subdivision 2; and 340A.409, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 45; 60A; 61A; 62A; and 62H; repealing Minnesota Statutes 1992, sections 72A.45; and 72B.07; Minnesota Rules, parts 2780.4800; 2783.0010; 2783.0020; 2783.0030; 2783.0040; 2783.0050; 2783.0060; 2783.0070; 2783.0080; 2783.0090; and 2783.0100.

Reported the same back with the following amendments:

Page 12, delete section 16

Page 44, after line 34, insert:

"Sec. 62. Minnesota Statutes 1992, section 72A.20, is amended by adding a subdivision to read:

Subd. 30. [RECORDS RETENTION.] An insurer shall retain copies of all underwriting documents, policy forms, and applications for three years from the effective date of the policy. This subdivision does not relieve the insurer of its obligation to produce these documents to the department after the retention period has expired in connection with an enforcement action or administrative proceeding against the insurer from whom the documents are requested, if the insurer has retained the documents. Records required to be retained by this section may be retained in paper, photograph, microprocess, magnetic, mechanical, or electronic media, or by any process which accurately reproduces or forms a durable medium for the reproduction of a record."

Page 56, line 6, delete "36" and insert "35"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 27, before the second semicolon insert ", and by adding a subdivision"

Page 1, line 32, delete "60A;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1114, A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; advance of matching funds; financing waterfowl development; defining "undressed bird"; seasons on muskrat, mink, otter, and beaver; required license to take and condition of fish brought into the state from Canada; authorizing suspension of requirements upon action by Canadian authorities; amending Minnesota Statutes 1992, sections 84.085, by adding a subdivision; 97A.015, subdivision 49, and by adding a subdivision; 97A.045, subdivision 7; 97A.531; 97B.005, subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97B.911; 97B.915; 97B.921; 975.925; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

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

The report was adopted.

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

H. F. No. 1137, A bill for an act relating to real estate; regulating fees, licenses, and agreements; requiring certain disclosures; providing for meetings of the real estate appraiser advisory board; changing terms; regulating fees and licenses; appropriating money; amending Minnesota Statutes 1992, sections 82.17, subdivision 4, and by adding subdivisions; 82.19, subdivision 5, and by adding subdivisions; 82.20, subdivision 15; 82.21, subdivision 1, and by adding a subdivision; 82.22, subdivisions 6 and 13; 82.24, subdivision 1; 82.27, subdivision 1; 82.33, subdivision 2, and by adding subdivisions; 82.34, subdivisions 3 and 7; 82B.02, by adding a subdivision; 82B.05, subdivision 5; 82B.11; 82B.14; 82B.19, subdivision 2; and 507.45, subdivision 4; Laws 1992, chapter 555, article 1, section 12; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 1992, sections 82.22, subdivision 7; and 462A.201, subdivision 5; Minnesota Rules, part 2805.1200.

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

The report was adopted.

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

H. F. No. 1225, A bill for an act relating to agriculture; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; exempting certain pesticides from the ACRRRA surcharge; requiring a report; appropriating money; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.135; 18B.14, subdivision 2; 18B.26, subdivision 3; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; 18C.305, subdivision 2; 18E.03, subdivisions 2 and 5; 21.85, subdivision 10; 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 18B.07, subdivision 3; 18C.211, subdivision 3; 18C.215, subdivision 3; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; 24.42; 25.46; and 25.47.

Reported the same back with the following amendments:

Page 8, line 26, strike "phosphorus (P) or"

Page 8, line 27, strike "soluble potassium (K) or"

Page 8, line 33, strike "phosphorus or"

Page 8, line 34, strike "soluble potassium or"

Page 10, line 14, after "BLENDED" insert ", BULK."

Page 10, line 16, after "mixture" insert "or distributes fertilizer in bulk"

Page 10, line 18, after "weight" insert ", name and address of guarantor."

Page 13, line 13, strike everything after "(e)"

Page 13, strike lines 14 and 15

With the recommendation that when so amended the bill pass.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 1245, A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, security service

data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1 and 3; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

Reported the same back with the following amendments:

Page 30, line 26, delete "to ensure" and insert "and determine whether each participant's household income is within the eligibility standards"

Page 30, line 27, delete "that eligibility continues"

Page 30, line 36, delete "for the purpose of contacting" and insert "to survey"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 1570, A bill for an act relating to toxic lead cleanup funding; imposing a lead fee; establishing a lead fund; providing for a lead abatement credit; imposing a tax on the wholesale of paint; authorizing rulemaking; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115C; and 290; 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. [115C.082] [LEAD FUND.]

Subdivision 1. [FUND ESTABLISHED.] A lead fund is created in the state treasury. The fund consists of all revenue and all other money and interest deposited in or made available to the fund by law.

Subd. 2. [USES OF FUND.] (a) Money in the lead fund may be appropriated for:

(1) all lead programs administered by the commissioner of jobs and training;

(2) all lead activities and programs administered by the commissioner of health; and

(3) all lead programs administered by the commissioner of the housing finance agency.

(b) Money in the lead fund must be annually distributed for lead abatement as follows:

(1) 25 percent to the commissioner of health for lead activities and programs;

(2) ten percent to the housing development fund for lead programs; and

(3) the remainder to the commissioner of jobs and training for lead abatement programs.

(c) In expending funds under this program, the commissioner of health shall abide by the following requirements:

(1) no funds shall be spent for lead screening unless the board of health or grantee meets the center for disease control proficiency requirements and the analytical requirements specified in section 144.873, subdivision 3. The commissioner may make grants that include providing the appropriate analytical equipment in order to meet this condition;

(2) no money shall be provided to boards of health who issue abatement orders inconsistent with the rules adopted under section 144.878; and

(3) before issuing a contract to boards of health, outside a city of the first class, the commissioner of health shall evaluate the need and cost-effectiveness of contracting for sanitarian and public health nurse services to determine whether the contract grant should be with an individual board of health, or a group of boards of health, or whether services should be delivered by the commissioner. Nothing in this provision is designed to restrict grants for lead education or lead screening.

Sec. 2. [290.0672] [LEAD ABATEMENT CREDIT.]

Subdivision 1. [CREDIT ALLOWED.] An individual is allowed a credit against the tax imposed by this chapter equal to 40 percent of qualifying lead abatement costs paid or incurred during the taxable year. An individual is allowed to claim only one credit for each qualifying housing unit. The maximum allowed for each credit is \$1,000.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Qualifying lead abatement costs" means the costs of lead abatement performed by a licensed abatement contractor, as defined in section 144.876. This does not include:

(1) any costs paid for by federal, state, or local government grants; or

(2) any cost reductions, obtained through federal, state, or local subsidized financing.

(b) "Lead abatement" means abatement as defined in section 144.871, subdivision 2.

(c) "Encapsulation" has the meaning given in section 144.871, subdivision 7.

(d) "Qualifying housing unit" means a residence subject to an abatement order as defined in section 144.874, subdivision 3.

Subd. 3. [CREDIT REFUNDABLE.] If the amount of credit which the claimant is eligible to receive under this section exceeds the claimant's tax liability under this chapter, the commissioner shall refund the excess to the claimant.

Subd. 4. [APPROPRIATION.] An amount sufficient to pay the refunds required by this section is appropriated to the commissioner from the general fund.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective for taxable years beginning after December 31, 1993."

Delete the title and insert:

"A bill for an act relating to toxic lead cleanup funding; establishing a lead fund; providing for a lead abatement credit; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115C; and 290."

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

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 50, 272, 299, 467, 514, 948, 1094, 1114, 1137, 1225 and 1245 were read for the second time.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

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

House Concurrent Resolution No. 2, A concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 1408, A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

PATRICK E. FLAHAVEN, Secretary of the Senate

Limmer moved that the House refuse to concur in the Senate amendments to H. F. No. 1408, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 329, 561, 625, 1208, 952, 1201, 563, 645, 699, 911, 1158, 413, 464 and 848.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. Nos. 236, 681, 1184, 1454, 58, 65, 298, 840, 487, 1380, 697, 913, 1087 and 1333.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 329, A bill for an act relating to human services; allocating money to the child care basic sliding fee program.

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

S. F. No. 561, A bill for an act relating to traffic regulations; directing commissioner of public safety to issue temporary permit immediately to applicant for special disabled license plates or parking certificate; providing penalty for unauthorized use of temporary permit; amending Minnesota Statutes 1992, sections 168.021, subdivisions 1, 1a, and 3; 169.345, subdivisions 3 and 4; and 169.346, subdivisions 1, 2, and 3.

The bill was read for the first time.

Wejcman moved that S. F. No. 561 and H. F. No. 659, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 625, A bill for an act relating to retirement; first class city teachers; annuities, death-while-active survivor benefits, and administration; St. Paul teachers postretirement adjustments; administrative expenses; amending Minnesota Statutes 1992, sections 354A.011, subdivision 27; 354A.021, subdivision 5; 354A.12, subdivisions 1, 1a, 2a, 2b, and by adding a subdivision; 354A.23, subdivision 3; 354A.31, by adding subdivisions; 354A.35, subdivision 2; and 356.215, subdivision 4j.

The bill was read for the first time.

Reding moved that S. F. No. 625 and H. F. No. 663, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1208, A bill for an act relating to game and fish; allowing walleye and northern pike to be possessed and transported in a dressed or undressed condition; establishing an experimental program for commercial fishing in Minnesota-Wisconsin boundary waters; limiting number of larger pike taken; amending Minnesota Statutes 1992, sections 97A.551, by adding a subdivision; and 97C.401.

The bill was read for the first time.

Sparby moved that S. F. No. 1208 and H. F. No. 1232, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 952, A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time.

Rice moved that S. F. No. 952 and H. F. No. 998, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1201, A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 103I.345, subdivision 1; 116.75; 116.76, subdivision

1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 103I.701; 103I.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 148.95; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

The bill was read for the first time.

Asch moved that S. F. No. 1201 and H. F. No. 1112, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 563, A bill for an act relating to transportation; requiring notice of and imposing a penalty for fraudulent certification of eligibility for special transportation service; amending Minnesota Statutes 1992, section 473.386, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 174.

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

S. F. No. 645, A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1992, sections 222.86, subdivision 3; 222.87, by adding a subdivision; and 222.88.

The bill was read for the first time.

Farrell moved that S. F. No. 645 and H. F. No. 700, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 699, A bill for an act relating to health; utilization review of health care; providing for chiropractic review; amending Minnesota Statutes 1992, section 62M.09, by adding a subdivision.

The bill was read for the first time.

Orenstein moved that S. F. No. 699 and H. F. No. 828, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 911, A bill for an act relating to public employment; essential employees; requiring the commissioner of the bureau of mediation services to designate separate units for peace officers and other essential employees at the request of either group of employees; amending Minnesota Statutes 1992, section 179A.09, by adding a subdivision.

The bill was read for the first time.

Pugh moved that S. F. No. 911 and H. F. No. 1054, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1158, A bill for an act relating to workers' compensation; modifying provisions relating to adjustment of benefits; amending Minnesota Statutes 1992, section 176.645, subdivision 1.

The bill was read for the first time.

Rukavina moved that S. F. No. 1158 and H. F. No. 1022, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 413, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county; authorizing the conveyance of certain Willmar regional treatment center land to Kandiyohi county.

The bill was read for the first time.

Rukavina moved that S. F. No. 413 and H. F. No. 581, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 464, A bill for an act relating to game and fish; color of outer clothing required in firearms deer zones; amending Minnesota Statutes 1992, section 97B.071.

The bill was read for the first time.

Nelson moved that S. F. No. 464 and H. F. No. 952, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 848, A bill for an act relating to natural resources; mineral leasing; environmental research and protection; exploratory mineral borings and data; lean ore stockpile removal; amending Minnesota Statutes 1992, sections 92.50, subdivision 1; 93.001; 93.002, subdivisions 1 and 3; 93.25; 93.46, by adding a subdivision; 93.481, subdivisions 1 and 2; 1031.113; 1031.601, subdivision 1; 1031.605, subdivision 4; and 282.04, subdivision 1.

The bill was read for the first time.

Pauly moved that S. F. No. 848 and H. F. No. 699, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 236, A bill for an act relating to domestic abuse; requiring a report on victims of domestic abuse and eligibility for unemployment compensation benefits.

The bill was read for the first time.

Sekhon moved that S. F. No. 236 and H. F. No. 343, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 681, A bill for an act relating to crime victims; clarifying that victims' rights are applicable to juvenile proceedings; providing notice and waiver of towing fees for victims of auto theft; adding restitution as a sentencing option in juvenile traffic cases; waiving fees for docketing an order of restitution as a civil judgment; defining collateral source to include proceeds of a lawsuit brought as result of a crime; making procedural corrections to reduce administrative costs; extending the date of expiration of and increasing the number of members on the Minnesota crime victim and witness advisory council; amending Minnesota Statutes 1992, sections 260.193, subdivision 8; 611A.02, subdivision 2; 611A.04, subdivisions 1, 1a, and 3; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; and 611A.71, subdivisions 1, 2, 3, and 7; proposing coding for new law in Minnesota Statutes, chapters 169; 260; and 611A; repealing Minnesota Statutes 1992, section 611A.57, subdivision 1.

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

S. F. No. 1184, A bill for an act relating to transportation; authorizing road authorities to develop, finance, design, construct, improve, rehabilitate, own, and operate toll facilities and to enter into agreements with private operators for the construction, maintenance, and operation of toll facilities; proposing coding for new law in Minnesota Statutes, chapter 160.

The bill was read for the first time.

Lieder moved that S. F. No. 1184 and H. F. No. 1366, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1454, A bill for an act relating to metropolitan government; providing for an advisory council on metropolitan governance.

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

S. F. No. 58, A bill for an act relating to local governments; permitting local governments to require the payment of legal fees incurred by peace officers who are the subject of investigation by a civilian review authority; amending Minnesota Statutes 1992, section 471.44.

The bill was read for the first time.

Jefferson moved that S. F. No. 58 and H. F. No. 73, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 65, A bill for an act relating to public safety; requiring mandatory notification of the state fire marshal in fires involving death; requiring autopsies on all victims of death caused by fire; deleting the intent element for the crimes of possession of explosives, incendiary devices, and molotov cocktails; defining fire as a dangerous weapon under the criminal code; lowering the felony damage threshold for arson in the second and third degree and negligent fires; creating a felony for tampering with fire alarms when potential for bodily harm exists; allowing prosecutors to charge "arson for profit" rings under RICO statute; granting peace officer status to deputy state fire marshal investigators; extending the statute of limitations for arson to five years; amending Minnesota Statutes 1992, sections 299F.04, by adding a subdivision; 299F.811; 299F.815, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 609.02, subdivision 6; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.686; 609.902, subdivision 4; and 628.26.

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

S. F. No. 298, A bill for an act relating to crime; expanding the crime of trespass to include entry onto locked or posted construction sites and buildings without consent; amending Minnesota Statutes 1992, section 609.605, subdivision 1.

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

S. F. No. 840, A bill for an act relating to mental health; authorizing interstate contracts between Wisconsin and Minnesota for the treatment of mentally ill persons who have been involuntarily committed; amending Minnesota Statutes 1992, section 245.50, subdivision 3, and by adding a subdivision.

The bill was read for the first time.

Simoneau moved that S. F. No. 840 and H. F. No. 1098, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 487, A bill for an act relating to natural resources; requiring that iron mines and production facilities be maintained in salable operating condition; proposing coding for new law in Minnesota Statutes, chapter 93.

The bill was read for the first time.

Rukavina moved that S. F. No. 487 and H. F. No. 316, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1380, A bill for an act relating to commerce; regulating heavy and utility equipment dealership agreements; including truck parts within the scope of coverage; defining terms; amending Minnesota Statutes 1992, section 325E.068, subdivision 2, and by adding subdivisions.

The bill was read for the first time.

Evans moved that S. F. No. 1380 and H. F. No. 1667, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 697, A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivision 7, and by adding subdivisions; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

The bill was read for the first time.

Trimble moved that S. F. No. 697 and H. F. No. 704, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 913, A bill for an act relating to employment; modifying provisions relating to and renaming the Minnesota council for the blind and the consumer advisory council; establishing a rehabilitation advisory council for the blind; amending Minnesota Statutes 1992, sections 248.10; and 268A.02, subdivision 2.

The bill was read for the first time.

Johnson, A., moved that S. F. No. 913 and H. F. No. 1023, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1087, A bill for an act relating to utilities; providing for determination by public utilities commission of competitive rate filings; amending Minnesota Statutes 1992, section 216B.162, subdivision 7.

The bill was read for the first time.

Kelley moved that S. F. No. 1087 and H. F. No. 1694, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1333, A bill for an act relating to insurance; regulating minimum loss ratios for noncomprehensive policies; amending Minnesota Statutes 1992, section 62A.135.

The bill was read for the first time.

Reding moved that S. F. No. 1333 and H. F. No. 1487, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

## CONSENT CALENDAR

S. F. No. 737 was reported to the House.

Ostrom moved to amend S. F. No. 737, as follows:

Page 1, line 14, reinstate the stricken language

Page 3, lines 13 to 15, reinstate the stricken language

The motion prevailed and the amendment was adopted.

S. F. No. 737, A bill for an act relating to motor vehicles; requiring vehicle owner to transfer certificate of title upon gaining ownership to motor vehicle; allowing registrar to research records before responding to phone request; amending Minnesota Statutes 1992, sections 168.10, subdivision 1; 168.34; and 168A.30, subdivision 2.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 44 was reported to the House.

Greenfield moved to amend S. F. No. 44, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 501B.89, is amended to read:

501B.89 ~~[EXCULPATORY CLAUSES TRUST PROVISIONS LINKED TO PUBLIC ASSISTANCE ELIGIBILITY UNENFORCEABLE; SUPPLEMENTAL NEEDS TRUSTS.]~~

Subdivision 1. [TRUSTS CONTAINING LIMITATIONS LINKED TO ELIGIBILITY FOR PUBLIC ASSISTANCE.]  
 (a) Except as allowed by subdivision 2, a provision in a trust created after July 1, 1992, purporting to make assets or income unavailable to a beneficiary that provides for the suspension, termination, limitation, or diversion of the principal, income, or beneficial interest of a beneficiary if the beneficiary applies for or is determined eligible for, or receives public assistance or benefits under a public health care program is unenforceable as against the public policy of this state, without regard to the irrevocability of the trust or the purpose for which the trust was created.

(b) This subdivision applies to trust provisions created after July 1, 1992. For purposes of this section, a trust provision is created on the date of execution of the first instrument that contains the provision, even though the trust provision is later amended or reformed or the trust is not funded until a later date.

Subd. 2. [SUPPLEMENTAL TRUSTS FOR PERSONS WITH DISABILITIES.] (a) It is the public policy of this state to enforce supplemental needs trusts as provided in this subdivision.

(b) For purposes of this subdivision, a "supplemental needs trust" is a trust created for the benefit of a person with a disability and funded by someone other than the trust beneficiary, the beneficiary's spouse, or anyone obligated to pay any sum for damages or any other purpose to or for the benefit of the trust beneficiary under the terms of a settlement agreement or judgment.

(c) For purposes of this subdivision, a "person with a disability" means a person who, prior to creation of a trust which otherwise qualifies as a supplemental needs trust for the person's benefit:

(1) is considered to be a person with a disability under the disability criteria specified in Title II or Title XVI of the Social Security Act; or

(2) has a physical or mental illness or condition which, in the expected natural course of the illness or condition, either prior to or following creation of the trust, to a reasonable degree of medical certainty, is expected to:

(i) last for a continuous period of 12 months or more; and

(ii) substantially impair the person's ability to provide for the person's care or custody.

Disability may be established conclusively for purposes of this subdivision by the written opinion of a licensed professional who is qualified to diagnose the illness or condition, confirmed by the written opinion of a second licensed professional who is qualified to diagnose the illness or condition.

(d) The general purpose of a supplemental needs trust must be to provide for the reasonable living expenses and other basic needs of a person with a disability when benefits from publicly funded benefit programs are not sufficient to provide adequately for those needs. Subject to the restrictions contained in this paragraph, a supplemental needs trust may authorize distributions to provide for all or any portion of the reasonable living expenses of the beneficiary. A supplemental needs trust may allow or require distributions only in ways and for purposes that supplement or complement the benefits available under medical assistance, Minnesota supplemental aid, and other publicly funded benefit programs for disabled persons. A supplemental needs trust must contain provisions that prohibit disbursements that would have the effect of replacing, reducing, or substituting for publicly funded benefits otherwise available to the beneficiary or rendering the beneficiary ineligible for publicly funded benefits.

(e) A supplemental needs trust is not enforceable if the trust beneficiary becomes a patient or resident after age 64 in a state institution or nursing facility for six months or more and, due to the beneficiary's medical need for care in an institutional setting, there is no reasonable expectation that the beneficiary will ever be discharged from the institution or facility. For purposes of this paragraph "reasonable expectation" means that the beneficiary's attending physician has certified that the expectation is reasonable. For purposes of this paragraph, a beneficiary participating in a group residential program is not deemed to be a patient or resident in a state institution or nursing facility.

(f) The trust income and assets of a supplemental needs trust are considered available to the beneficiary for medical assistance purposes to the extent they are considered available to the beneficiary under medical assistance, supplemental security income, or aid to families with dependent children methodology, whichever is used to determine the beneficiary's eligibility for medical assistance. For other public assistance programs established or administered under state law, assets and income will be considered available to the beneficiary in accordance with the methodology applicable to the program.

(g) Nothing in this subdivision requires submission of a supplemental needs trust to a court for interpretation or enforcement.

(h) Paragraphs (a) to (g) apply to supplemental needs trusts whenever created, but the limitations and restrictions in paragraphs (c) to (g) apply only to trusts created after June 30, 1993.

## Sec. 2. [EFFECTIVE DATE; APPLICATION.]

Section 1 is effective retroactive to July 1, 1992.

Notwithstanding the provisions of section 1, subdivision 2, providing that a supplemental needs trust may not be funded by the beneficiary or a person obligated to pay the beneficiary under a settlement agreement or judgment, a supplemental needs trust may be established with the proceeds of payments made by the social security administration pursuant to the United States Supreme Court decision in Sullivan v. Zebley, 110 S.Ct. 885 (1990)."

Delete the title and insert:

"A bill for an act relating to trusts; making certain trust provisions related to public assistance eligibility unenforceable as against public policy; clarifying availability of trusts in determining eligibility for medical assistance and other benefit programs; defining supplemental needs trusts; clarifying enforceability of supplemental needs trusts; amending Minnesota Statutes 1992, section 501B.89."

The motion prevailed and the amendment was adopted.

S. F. No. 44, A bill for an act relating to trusts; making certain trust provisions related to public assistance eligibility unenforceable as against public policy; clarifying availability of trusts in determining eligibility for medical assistance and other benefit programs; defining supplemental needs trusts; clarifying enforceability of supplemental needs trusts; amending Minnesota Statutes 1992, section 501B.89.

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

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

S. F. No. 163, A bill for an act relating to crimes; modifying requirements for the dispensing of controlled substance; amending Minnesota Statutes 1992, sections 152.01, by adding a subdivision; and 152.11.

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

The bill was passed and its title agreed to.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1199 and 1042.

H. F. No. 1199 was reported to the House.

Reding moved to amend H. F. No. 1199, the second engrossment, as follows:

Pages 3 and 4, delete section 5

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bauerly moved to amend H. F. No. 1199, the second engrossment, as amended, as follows:

Page 3, after line 8, insert:

"Sec. 3. Minnesota Statutes 1992, section 179A.04, subdivision 3, is amended to read:

Subd. 3. [OTHER DUTIES.] The commissioner shall:

(a) provide mediation services as requested by the parties until the parties reach agreement. The commissioner may continue to assist parties after they have submitted their final positions for interest arbitration;

- (b) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;
- (c) maintain a list of arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes;
- (d) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner;
- (e) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;
- (f) adopt rules relating to the administration of this chapter; and the conduct of hearings and elections;
- (g) receive, catalogue, and file all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions, and the commissioner's orders and decisions. All decisions catalogued and filed shall be readily available to the public;
- (h) adopt, subject to chapter 14, a grievance procedure to fulfill the purposes of section 179A.20, subdivision 4. The grievance procedure shall not provide for the services of the bureau of mediation services. The grievance procedure shall be available to any employee in a unit not covered by a contractual grievance procedure;
- (i) conduct elections;
- (j) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;
- (k) collect such fees as are established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges;
- (l) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;
- (m) provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4;
- (n) adopt, subject to chapter 14, uniform baseline determination documents and uniform collective bargaining agreement settlement documents applicable to all negotiations between exclusive representatives of appropriate units of public employees and public employers other than townships and prescribe procedures and instructions for completion of the documents. The commissioner must, at a minimum, include these individual elements in the uniform baseline determination document: the costs of any increases to the wage schedule; the costs of employees moving through the wage schedule; costs of medical insurance; costs of dental insurance; costs of life insurance; lump sum payments; shift differentials; extracurricular activities; longevity; and contributions to a deferred compensation account. The calculation of the base year must be based on an annualization of the costs provided in the base year contract. A completed uniform collective bargaining agreement settlement document must be presented to the public employer at the time it ratifies a collective bargaining agreement and must be available afterward for inspection during normal business hours at the principal administrative offices of the public employer; and
- (o) from the names provided by representative organizations, maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 125.12 or 125.17. The persons on the list shall meet at least one of the following requirements:
  - (1) be a former or retired judge;
  - (2) be a qualified arbitrator on the list maintained by the bureau;
  - (3) be a present, former, or retired administrative law judge; or
  - (4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, the Minnesota education association shall provide a list of seven names, the Minnesota federation of teachers a list of seven names, and the Minnesota school boards association a list of 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list."

Page 4, line 9, delete "4" and insert "5"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "and"

Page 1, line 8, after the semicolon insert "and 179A.04, subdivision 3;"

The motion prevailed and the amendment was adopted.

H. F. No. 1199, A bill for an act relating to state government; the legislative commission on employee relations; modifying provisions relating to certain plans; ratifying certain salaries and a bargaining agreement; requiring certain documents; amending Minnesota Statutes 1992, sections 15A.083, subdivision 4; 43A.18, subdivision 4; and 179A.04, subdivision 3; repealing Minnesota Statutes 1992, section 43A.24, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Hasskamp	Koppendraye	Molnau	Pugh	Sviggum
Anderson, I.	Clark	Hausman	Krueger	Morrison	Reding	Tomassoni
Anderson, R.	Commers	Holsten	Lasley	Munger	Rest	Tunheim
Battaglia	Cooper	Huntley	Leppik	Ness	Rhodes	Van Dellen
Bauerly	Dawkins	Jacobs	Lieder	Olson, E.	Rice	Vellenga
Beard	Delmont	Jefferson	Limmer	Olson, K.	Rodosovich	Vickerman
Bergson	Erhardt	Jennings	Lindner	Opatz	Sarna	Wagerius
Bertram	Evans	Johnson, A.	Lourey	Orenstein	Seagren	Weaver
Bettermann	Farrell	Johnson, R.	Luther	Orfield	Sekhon	Wejzman
Bishop	Garcia	Kahn	Lynch	Ostrom	Simoneau	Wenzel
Blatz	Goodno	Kelley	Macklin	Ozment	Skoglund	Workman
Brown, C.	Greenfield	Kelso	Mahon	Pauly	Smith	Spk. Long
Brown, K.	Gruenes	Kinkel	McCollum	Pawlenty	Solberg	
Carlson	Gutknecht	Knickerbocker	McGuire	Perlt	Sparby	

Those who voted in the negative were:

Asch	Dorn	Hugoson	Milbert	Olson, M.	Rukavina	Trimble
Dauner	Frerichs	Jaros	Mosel	Ornen	Stanisus	Waltman
Dauids	Girard	Johnson, V.	Murphy	Osthoff	Steensma	Winter
Dehler	Greiling	Kalis	Neary	Pelowski	Swenson	Wolf
Dempsey	Haukoos	Klinzing	Nelson	Peterson	Tompkins	Worke

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

H. F. No. 1042, A bill for an act relating to human services; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 136A.121, subdivision 2; 214.101, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 257.66, subdivision 3; 257.67, subdivision 3; 349A.08, subdivision 8; 518.14; 518.171, subdivisions 1, 2, 3, 4, 6, 7, 8, 10, and by adding a subdivision; 518.24; 518.54, subdivision 4; 518.551, subdivisions 1, 5, 5b, 7, 10, 12, and by adding a subdivision; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivision 4; 518.613, subdivision 1; 518.64, subdivisions 1, 2, 5, and 6; 519.11; 548.09, subdivision 1; 548.091, subdivisions 1a and 3a; 588.20; 595.02, subdivision 1; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; and 518; repealing Minnesota Statutes 1992, sections 256.979; and 609.37.

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 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dauner	Frerichs	Jacobs	Olson, M.
Dauids	Haukoos	Johnson, V.	Stanius

The bill was passed and its title agreed to.

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

## REPORTS OF STANDING COMMITTEES

Sparby from the Committee on General Legislation, Veterans Affairs and Elections reported on the following appointment which had been referred to the committee by the Speaker:

### ETHICAL PRACTICES BOARD

CAROLYN DESHON RODRIGUEZ

Reported the same back with the recommendation that the appointment be confirmed.

Sparby moved that the report of the Committee on General Legislation, Veterans Affairs and Elections relating to the appointment of Carolyn Deshon Rodriguez to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Sparby moved that the House, having advised, do now consent to and confirm the appointment of Carolyn Deshon Rodriguez, 12815 Foliage Avenue, Apple Valley, Minnesota, 55124, county of Dakota, effective June 8, 1992, for a term expiring on the first Monday in January, 1995. The motion prevailed and the appointment of Carolyn Deshon Rodriguez was confirmed by the House.

Sparby from the Committee on General Legislation, Veterans Affairs and Elections reported on the following appointment which had been referred to the committee by the Speaker:

#### ETHICAL PRACTICES BOARD

JOHN L. HOLAHAN, JR.

Reported the same back with the recommendation that the appointment be confirmed.

Sparby moved that the report of the Committee on General Legislation, Veterans Affairs and Elections relating to the appointment of John L. Holahan, Jr., to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Sparby moved that the House, having advised, do now consent to and confirm the appointment of John L. Holahan, Jr., 5320 Birchcrest Drive, Edina, Minnesota, 55436, county of Hennepin, effective April 21, 1993, for a term expiring on the first Monday in January, 1997. The motion prevailed and the appointment of John L. Holahan, Jr., was confirmed by the House.

Sparby from the Committee on General Legislation, Veterans Affairs and Elections reported on the following appointment which had been referred to the committee by the Speaker:

#### ETHICAL PRACTICES BOARD

ELSA CARPENTER

Reported the same back with the recommendation that the appointment be confirmed.

Sparby moved that the report of the Committee on General Legislation, Veterans Affairs and Elections relating to the appointment of Elsa Carpenter to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

## CONFIRMATION

Sparby moved that the House, having advised, do now consent to and confirm the appointment of Elsa Carpenter, 4724 Emerson Avenue South, Minneapolis, Minnesota, 55409, county of Hennepin, effective May 27, 1992, for a term expiring on the first Monday in January, 1995.

A roll call was requested and properly seconded.

The question was taken on the Sparby confirmation motion and the roll was called. There were 81 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Jacobs	Limmer	Olson, M.	Seagren	Vellenga
Anderson, I.	Dempsey	Jennings	Lindner	Ornen	Simoneau	Vickerman
Bauerly	Dorn	Johnson, R.	Luther	Opatz	Skoglund	Waltman
Bertram	Erhardt	Johnson, V.	Lynch	Orfield	Smith	Weaver
Bettermann	Farrell	Kelso	Macklin	Ostrom	Sparby	Winter
Bishop	Frerichs	Klinzing	Mahon	Ozment	Stanis	Wolf
Blatz	Girard	Knickerbocker	Molnau	Pauly	Steensma	Worke
Brown, C.	Goodno	Koppendrayer	Morrison	Pawlenty	Sviggum	Workman
Commers	Gruenes	Krinkie	Mosel	Pelowski	Swenson	Spk. Long
Cooper	Gutknecht	Lasley	Nelson	Rest	Tompkins	
Dauner	Haukoos	Leppik	Ness	Rhodes	Trimble	
Davids	Hugoson	Lieder	Olson, E.	Sarna	Van Dellen	

Those who voted in the negative were:

Anderson, R.	Carruthers	Greiling	Kahn	Mariani	Perlt	Tomassoni
Asch	Dawkins	Hasskamp	Kalis	Murphy	Peterson	Tunheim
Battaglia	Delmont	Hausman	Kelley	Neary	Pugh	Welle
Beard	Evans	Huntley	Kinkel	Olson, K.	Reding	Wenzel
Brown, K.	Garcia	Jaros	Krueger	Orenstein	Rukavina	
Carlson	Greenfield	Jefferson	Lourey	Osthoff	Sekhon	

The motion prevailed and the appointment of Elsa Carpenter was confirmed by the House.

## SPECIAL ORDERS

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

## GENERAL ORDERS

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

## MOTIONS AND RESOLUTIONS

Dawkins moved that his name be stricken and the name of Reding be added as chief author on H. F. No. 637. The motion prevailed.

Peterson moved that the names of Trimble, Girard and Johnson, V., be added as authors on H. F. No. 931. The motion prevailed.

McGuire moved that the name of Macklin be added as an author on H. F. No. 1245. The motion prevailed.

Evans moved that the name of Clark be shown as chief author on H. F. No. 1608. The motion prevailed.

Pauly moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Friday, April 23, 1993, when the vote was taken on the final passage of H. F. No. 350, the third engrossment, as amended." The motion prevailed.

Sekhon moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 23, 1993, when the vote was taken on the final passage of S. F. No. 1503, as amended." The motion prevailed.

Wenzel moved that H. F. No. 1470 be returned to its author. The motion prevailed.

Anderson, I., moved that when the House adjourns today it adjourn until 9:30 a.m., Thursday, April 29, 1993. The motion prevailed.

Anderson, I., moved that the House recess subject to the call of the Chair to meet with the Senate in Joint Convention. The motion prevailed.

#### RECESS

#### RECONVENED

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

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 Margaret Thomas, Executive Director, Minnesota Council of Churches, Minneapolis, 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.

April 26, 1993

REPORT FROM THE HOUSE AND SENATE  
COMMITTEES ON EDUCATION

To the Honorable Dee Long, Speaker of the House of Representatives, as President of the Joint Convention of the Senate and House of Representatives meeting to elect Regents of the University of Minnesota:

The House Committee on Education and the Senate Committee on Education make the following report:

We have selected the following named persons as a slate of nominees for Regents of the University of Minnesota, to hold office for the term specified for each from the first Monday of February, 1993:

Julie Bleyhl, Second Congressional District, Six Years  
William Hogan, Third Congressional District, Six Years  
Thomas Reagan, Eighth Congressional District, Six Years  
Lawrence Perlman, At-Large, Two Years  
William Peterson, At-Large, Six Years

We hereby submit the recommendation and the names of said persons in nomination for the offices and terms hereinbefore designated.

Respectfully submitted,

LYNDON R. CARLSON, Chair  
House Education Committee  
Co-Chair of the Joint  
Committee

LEROY A. STUMPF, Co-Chair  
Senate Education Committee  
Co-Chair of the Joint  
Committee

LAWRENCE J. POGEMILLER, Co-Chair  
Senate Education Committee  
Co-Chair of the Joint  
Committee

Representative Carlson and Senators Stumpf and Pogemiller moved that the report of the Joint Committee be adopted.

The motion prevailed and the report was adopted.

ELECTION OF BOARD OF REGENTS

Pursuant to the Joint Rules of the Senate and House of Representatives the Joint Convention proceeded to elect a Regent from the Second Congressional District.

Julie Bleyhl was nominated by the Joint Committee for a term of six years.

Dallas Bohnsack was nominated by Senator Oliver for a term of six years.

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

The Secretary called the roll.

127 members voted for Julie Bleyhl, Second Congressional District Regent, for a six year term, as follows:

#### SENATE ROLL CALL

Adkins	Chmielewski	Janezich	Luther	Murphy	Reichgott	Vickerman
Anderson	Cohen	Johnson, D. J.	Marty	Novak	Riveness	Wiener
Beckman	Dille	Johnson, J. B.	Merriam	Pappas	Sams	
Berglin	Finn	Krentz	Metzen	Piper	Samuelson	
Bertram	Flynn	Kroening	Moe, R. D.	Pogemiller	Solon	
Betzold	Hanson	Langseth	Mondale	Price	Spear	
Chandler	Hottinger	Lessard	Morse	Ranum	Stumpf	

#### HOUSE OF REPRESENTATIVES ROLL CALL

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

73 members voted for Dallas Bohnsack, Second Congressional District Regent, for a six year term, as follows:

#### SENATE ROLL CALL

Belanger	Day	Kiscaden	Lesewski	Olson	Stevens
Benson, D. D.	Frederickson	Knutson	McGowan	Pariseau	Terwilliger
Benson, J. E.	Johnson, D. E.	Laidig	Neuville	Robertson	
Berg	Johnston	Larson	Oliver	Runbeck	

#### HOUSE OF REPRESENTATIVES ROLL CALL

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

Julie Bleyhl, having received a majority of the votes cast, was declared elected Second Congressional District Regent, for a term of six years.

Pursuant to the Joint Rules of the Senate and House of Representatives the Joint Convention proceeded to elect a Regent from the Third Congressional District.

William Hogan was nominated by the Joint Committee for a term of six years.

M. Elizabeth Craig was nominated by Representative Pauly for a term of six years.

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

The Secretary called the roll.

128 members voted for William Hogan, Third Congressional District Regent, for a six year term, as follows:

#### SENATE ROLL CALL

Adkins	Chmielewski	Johnson, D. J.	Marty	Novak	Riveness	Wiener
Anderson	Cohen	Johnson, J. B.	Merriam	Pappas	Sams	
Beckman	Finn	Krentz	Metzen	Piper	Samuelson	
Berglin	Flynn	Kroening	Moe, R. D.	Pogemiller	Solon	
Bertram	Hanson	Langseth	Mondale	Price	Spear	
Betzold	Hottinger	Lessard	Morse	Ranum	Stumpf	
Chandler	Janezich	Luther	Murphy	Reichgott	Vickerman	

#### HOUSE OF REPRESENTATIVES ROLL CALL

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

72 members voted for M. Elizabeth Craig, Third Congressional District Regent, for a six year term, as follows:

#### SENATE ROLL CALL

Belanger	Day	Johnston	Larson	Oliver	Runbeck
Benson, D. D.	Dille	Kiscaden	Lesewski	Olson	Stevens
Benson, J. E.	Frederickson	Knutson	McGowan	Pariseau	Terwilliger
Berg	Johnson, D. E.	Laidig	Neuville	Robertson	

#### HOUSE OF REPRESENTATIVES ROLL CALL

Abrams	Blatz	Dehler	Frerichs	Gruenes	Holsten	Johnson, V.
Bettermann	Commers	Dempsey	Girard	Gutknecht	Hugoson	Knickerbocker
Bishop	Davids	Erhardt	Goodno	Haukoos	Jennings	Koppendrayner

Krinkie	Lindner	Morrison	Onnen	Seagren	Swenson	Weaver
Lasley	Lynch	Ness	Pauly	Smith	Van Dellen	Wolf
Leppik	Macklin	Olson, K.	Pawlenty	Stanius	Vickerman	Worke
Limmer	Molnau	Olson, M.	Rhodes	Sviggum	Waltman	Workman

William Hogan, having received a majority of the votes cast, was declared elected Third Congressional District Regent for a term of six years.

Pursuant to the Joint Rules of the Senate and House of Representatives the Joint Convention proceeded to elect a Regent from the Eighth Congressional District.

Thomas Reagan was nominated by the Joint Committee for a term of six years.

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

The Secretary called the roll.

200 members voted for Thomas Reagan, Eighth Congressional District Regent, for a six year term, as follows:

#### SENATE ROLL CALL

Adkins	Chandler	Janezich	Langseth	Mondale	Pogemiller	Spear
Anderson	Chmielewski	Johnson, D. E.	Larson	Morse	Price	Stevens
Beckman	Cohen	Johnson, D. J.	Lesewski	Murphy	Ranum	Stumpf
Belanger	Day	Johnson, J. B.	Lessard	Neuville	Reichgott	Terwilliger
Benson, D. D.	Dille	Johnston	Luther	Novak	Riveness	Vickerman
Benson, J. E.	Finn	Kiscaden	Marty	Oliver	Robertson	Wiener
Berg	Flynn	Knutson	McGowan	Olson	Runbeck	
Berglin	Frederickson	Krentz	Merriam	Pappas	Sams	
Bertram	Hanson	Kroening	Metzen	Pariseau	Samuelson	
Betzold	Hottinger	Laidig	Moe, R. D.	Piper	Solon	

#### HOUSE OF REPRESENTATIVES ROLL CALL

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

Thomas Reagan, having received a majority of the votes cast, was declared elected Eighth Congressional District Regent for a term of six years.

Pursuant to the Joint Rules of the Senate and House of Representatives the Joint Convention proceeded to elect an At-Large Regent for a term of two years.

Lawrence Perlman was nominated by the Joint Committee for a term of two years.

Mary Kim was nominated by Representative Evans for a term of two years.

Sandra L. Vargas was nominated by Representative Mariani for a term of two years.

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

The Secretary called the roll.

127 members voted for Lawrence Perlman, At-Large Regent, for a two year term, as follows:

#### SENATE ROLL CALL

Adkins	Chandler	Johnson, D. E.	Langseth	Morse	Ranum	Stumpf
Anderson	Chmielewski	Johnson, D. J.	Lessard	Murphy	Reichgott	Terwilliger
Beckman	Cohen	Johnson, J. B.	Luther	Novak	Riveness	Vickerman
Benson, D. D.	Dille	Johnston	Marty	Oliver	Robertson	Wiener
Berg	Frederickson	Kiscaden	Merriam	Pappas	Sams	
Berglin	Hanson	Krentz	Metzen	Piper	Samuelson	
Bertram	Hottinger	Kroening	Moe, R. D.	Pogemiller	Solon	
Betzold	Janezich	Laidig	Mondale	Price	Spear	

#### HOUSE OF REPRESENTATIVES ROLL CALL

Anderson, I.	Clark	Jaros	Lasley	Olson, E.	Reding	Steensma
Anderson, R.	Cooper	Jefferson	Lieder	Olson, K.	Rest	Tomassoni
Asch	Dauner	Jennings	Lourey	Opatz	Rice	Trimble
Battaglia	Dawkins	Johnson, A.	Luther	Orenstein	Rodosovich	Tunheim
Bauerly	Dorn	Johnson, R.	Mahon	Orfield	Rukavina	Vellenga
Beard	Farrell	Kahn	McCollum	Osthoff	Sarna	Wagenius
Bergson	Greenfield	Kalis	Milbert	Ostrom	Sekhon	Wejcman
Bertram	Hasskamp	Kelley	Mosel	Pelowski	Simoneau	Wenzel
Brown, C.	Hausman	Kinkel	Munger	Perit	Skoglund	Pres. Long
Carlson	Huntley	Klinzing	Neary	Peterson	Solberg	
Carruthers	Jacobs	Krueger	Nelson	Pugh	Sparby	

7 members voted for Mary Kim, At-Large Regent, for a two year term, as follows:

#### SENATE ROLL CALL

## HOUSE OF REPRESENTATIVES ROLL CALL

Brown, K.      Evans      Greiling      Kelso      McGuire      Winter

4 members voted for Sandra L. Vargas, At-Large Regent, for a two year term, as follows:

## SENATE ROLL CALL

Flynn

## HOUSE OF REPRESENTATIVES ROLL CALL

Delmont      Garcia      Mariani

1 member voted for Lurline Baker-Kent, At-Large Regent, for a two year term, as follows:

## HOUSE OF REPRESENTATIVES ROLL CALL

Murphy

Lawrence Perlman, having received a majority of the votes cast, was declared elected At-Large Regent, for a term of two years.

## CALL OF THE CONVENTION

On the motion of Anderson, I., and on the demand of 5 members, a call of the Convention was ordered.

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

Anderson, I., 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.

Pursuant to the Joint Rules of the Senate and House of Representatives the Joint Convention proceeded to elect an At-Large Regent for a term of six years.

William Peterson was nominated by the Joint Committee for a term of six years.

Marvin Borman was nominated by Representative Abrams for a term of six years.

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

The Secretary called the roll.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

126 members voted for William Peterson, At-Large Regent, for a six year term, as follows:

## SENATE ROLL CALL

Adkins	Chmielewski	Johnson, D. J.	Langseth	Mondale	Pogemiller	Samuelson
Anderson	Finn	Johnson, J. B.	Lessard	Morse	Price	Solon
Beckman	Flynn	Kiscaden	Luther	Murphy	Ranum	Stumpf
Berglin	Hanson	Krentz	Marty	Novak	Reichgott	Vickerman
Bertram	Hottinger	Kroening	Metzen	Pappas	Riveness	Wiener
Chandler	Janezich	Laidig	Moe, R. D.	Piper	Sams	

## HOUSE OF REPRESENTATIVES ROLL CALL

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

13 members voted for Marvin Borman, At-Large Regent, for a six year term, as follows:

## SENATE ROLL CALL

Berg	Cohen	Frederickson	Johnston	Oliver	Spear
Betzold	Dille	Johnson, D. E.	Merriam	Robertson	Terwilliger

## HOUSE OF REPRESENTATIVES ROLL CALL

Bishop

William Peterson, having received a majority of the votes cast, was declared elected At-Large Regent for a term of six years.

## DECLARATION OF ELECTION

Julie Bleyhl, Second Congressional District Regent, six years; William Hogan, Third Congressional District Regent, six years; Thomas Reagan, Eighth Congressional District Regent, six years; Lawrence Perlman, At-Large Regent, two years; William Peterson, At-Large Regent, six years; having received the largest number of votes at the Joint Convention were declared by the President of the Joint Convention to be elected to the Board of Regents of the University of Minnesota.

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.

## CERTIFICATION

April 28, 1993

To the Governor  
State of Minnesota

To the Senate  
State of Minnesota

To the House of Representatives  
State of Minnesota

This is to certify that the House of Representatives and the Senate in Joint Convention on Wednesday, April 28, 1993, have elected as members of the Board of Regents of the University of Minnesota the following members each to hold his or her respective office for the term specified from the first Monday of February, 1993:

Julie Bleyhl, Second Congressional District, Six Years

William Hogan, Third Congressional District, Six Years

Thomas Reagan, Eighth Congressional District, Six Years

Lawrence Perlman, At-Large, Two Years

William Peterson, At-Large, Six Years

ALLAN H. SPEAR  
President of the Senate

DEE LONG  
Speaker of the House  
of Representatives

## ADJOURNMENT

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:30 a.m., Thursday, April 29, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FORTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 29, 1993

The House of Representatives convened at 9:30 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Representative Mary Murphy, District 8A, Hermantown, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Knickerbocker was excused until 10:00 a.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 58 and H. F. No. 73, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jefferson moved that S. F. No. 58 be substituted for H. F. No. 73 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 236 and H. F. No. 343, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Sekhon moved that the rules be so far suspended that S. F. No. 236 be substituted for H. F. No. 343 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 413 and H. F. No. 581, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Rukavina moved that the rules be so far suspended that S. F. No. 413 be substituted for H. F. No. 581 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 464 and H. F. No. 952, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Nelson moved that S. F. No. 464 be substituted for H. F. No. 952 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 487 and H. F. No. 316, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Rukavina moved that the rules be so far suspended that S. F. No. 487 be substituted for H. F. No. 316 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 561 and H. F. No. 659, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Wejcman moved that the rules be so far suspended that S. F. No. 561 be substituted for H. F. No. 659 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 625 and H. F. No. 663, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 625 be substituted for H. F. No. 663 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 645 and H. F. No. 700, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Farrell moved that S. F. No. 645 be substituted for H. F. No. 700 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 697 and H. F. No. 704, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Trimble moved that the rules be so far suspended that S. F. No. 697 be substituted for H. F. No. 704 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 699 and H. F. No. 828, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Orenstein moved that S. F. No. 699 be substituted for H. F. No. 828 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 840 and H. F. No. 1098, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Simoneau moved that the rules be so far suspended that S. F. No. 840 be substituted for H. F. No. 1098 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 848 and H. F. No. 699, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Pauly moved that the rules be so far suspended that S. F. No. 848 be substituted for H. F. No. 699 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 911 and H. F. No. 1054, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Pugh moved that S. F. No. 911 be substituted for H. F. No. 1054 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 913 and H. F. No. 1023, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Johnson, A., moved that the rules be so far suspended that S. F. No. 913 be substituted for H. F. No. 1023 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 952 and H. F. No. 998, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Rice moved that the rules be so far suspended that S. F. No. 952 be substituted for H. F. No. 998 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1087 and H. F. No. 1694, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kelley moved that S. F. No. 1087 be substituted for H. F. No. 1694 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1158 and H. F. No. 1022, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rukavina moved that S. F. No. 1158 be substituted for H. F. No. 1022 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1184 and H. F. No. 1366, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Lieder moved that the rules be so far suspended that S. F. No. 1184 be substituted for H. F. No. 1366 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1201 and H. F. No. 1112, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Asch moved that the rules be so far suspended that S. F. No. 1201 be substituted for H. F. No. 1112 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1208 and H. F. No. 1232, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Sparby moved that the rules be so far suspended that S. F. No. 1208 be substituted for H. F. No. 1232 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1333 and H. F. No. 1487, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Reding moved that S. F. No. 1333 be substituted for H. F. No. 1487 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1380 and H. F. No. 1667, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Evans moved that the rules be so far suspended that S. F. No. 1380 be substituted for H. F. No. 1667 and that the House File be indefinitely postponed. The motion prevailed.

**REPORTS OF STANDING COMMITTEES**

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

H. F. No. 199, A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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

The report was adopted.

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

H. F. No. 327, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, section 168.125, subdivision 1.

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

The report was adopted.

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

H. F. No. 519, A bill for an act relating to recreational vehicles; regulating registration and operation of off-highway motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 85.018, subdivisions 2, 3, and 5; 171.03; and 466.03, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 14, line 31, delete "\$....." and insert "\$235,000"

Page 14, line 35, delete "...." and insert "two"

Page 15, line 2, after "reimbursed" insert "by December 31, 1994,"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 575, A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

The report was adopted.

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

H. F. No. 864, A bill for an act relating to waters; inspection of watercraft for exotic harmful species; gasoline tax distribution; permit fee for aquatic vegetation control; authorizing civil citations and penalties; recommendations on milfoil control on White Bear Lake; appropriating money; amending Minnesota Statutes 1992, sections 18.317, subdivision 3a; 86B.415, subdivision 7; and 103G.615, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84.

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

The report was adopted.

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

H. F. No. 980, A bill for an act relating to local government; enabling local government units to obtain waivers of state rules; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; requiring the metropolitan council to review certain applications and plans; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83, and 465.87, subdivision 1; 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.

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

H. F. No. 1125, A bill for an act relating to transportation; providing for a metropolitan area high speed bus study; appropriating money.

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

The report was adopted.

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

H. F. No. 1133, A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

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

The report was adopted.

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

H. F. No. 1247, A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168A.

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

The report was adopted.

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

H. F. No. 1445, A bill for an act relating to industrial development; authorizing a grant to a nonprofit organization to promote expanding flexible collaborative manufacturing networks statewide.

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

The report was adopted.

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

H. F. No. 1702, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue determinations regarding association with a release; appropriating money; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B.

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

The report was adopted.

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

S. F. No. 386, A bill for an act relating to drivers' licenses; raising fee for two-wheeled vehicle endorsement; amending Minnesota Statutes 1992, section 171.06, subdivision 2a.

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

The report was adopted.

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

S. F. No. 536, A bill for an act relating to recreational vehicles; expanding the jurisdiction of the commissioner of natural resources over the use of snowmobiles and all-terrain vehicles on public lands and waters; changing accident reporting duties; providing that the person in lawful control of a snowmobile or all-terrain vehicle is responsible for the operation of these vehicles by youthful operators; providing that a portion of the fines and assessments collected from recreational vehicle violations shall be credited to the snowmobile trails and enforcement account in the natural resources fund; expanding the duties of the sheriff to include investigating recreational vehicle accidents involving injury or death; amending Minnesota Statutes 1992, sections 84.86, subdivision 1; 84.872; 84.924, subdivisions 1 and 3; 84.9256, subdivision 3; 97A.065, subdivision 2; and 387.03.

Reported the same back with the following amendments:

Page 1, line 31, before the period insert ", or on grant-in-aid trails"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1148, A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, subdivision 5.

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

The report was adopted.

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

S. F. No. 1244, A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; providing for a recorded music center; requiring a study of Carver's Cave; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 199, 327, 519, 575, 864, 980, 1125, 1133, 1247, 1445 and 1702 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 58, 236, 413, 464, 487, 561, 625, 645, 697, 699, 840, 848, 911, 913, 952, 1087, 1158, 1184, 1201, 1208, 1333, 1380, 386, 536, 1148 and 1244 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Simoneau; Anderson, I.; Gutknecht; Delmont and Hasskamp introduced:

H. F. No. 1759, A bill for an act relating to civil actions; establishing a state-of-the-art defense to certain product claims; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Simoneau; Anderson, I.; Gutknecht; Delmont and Hasskamp introduced:

H. F. No. 1760, A bill for an act relating to civil actions; regulating punitive damages; amending Minnesota Statutes 1992, sections 549.20, subdivisions 3, 4, 5, and by adding subdivisions.

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

## HOUSE ADVISORIES

The following House Advisory was introduced:

Gutknecht, Garcia, Swenson, Kahn and Mariani introduced:

H. A. No. 16, A proposal to study the mission and role of the Spanish-speaking affairs council.

The advisory was referred to the Committee on Governmental Operations and Gambling.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

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

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

H. F. No. 1428, A bill for an act relating to occupations and professions; dentistry; modifying a certain exception to the licensing requirements; establishing faculty, resident dentist, and specialty licenses; modifying a certain ground for disciplinary action; amending Minnesota Statutes 1992, sections 150A.01, by adding subdivisions; 150A.05, subdivision 2; 150A.06, by adding subdivisions; and 150A.08, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. No. 1613, A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

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

Messrs. Kroening, Novak, Metzen; Meses. Anderson and Lesewski.

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

Rice moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 1613. The motion prevailed.

Madam Speaker:

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

S. F. No. 1620, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 8.15; 15.38, by adding a subdivision; 15.50, by adding

a subdivision; 15A.083, by adding a subdivision; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 270.063; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; 508.82; 508A.82; and 593.48; Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 129D; 386; and 609; repealing Minnesota Statutes 1992, sections 386.61, subdivision 3; 386.63; 386.64; and 386.70.

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

Messrs. Cohen, Merriam, Luther, McGowan and Frederickson.

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

Krueger moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 1620. The motion prevailed.

Madam Speaker:

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

H. F. No. 667, A bill for an act relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements; amending Minnesota Statutes 1992, sections 69.051, by adding a subdivision; and 317A.823, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Haukoos moved that the House concur in the Senate amendments to H. F. No. 667 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 667, A bill for an act relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements; amending Minnesota Statutes 1992, sections 69.051, by adding a subdivision; and 317A.823, subdivision 1.

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	Beard	Brown, C.	Commers	Dehler	Evans	Goodno
Anderson, I.	Bergson	Brown, K.	Cooper	Delmont	Farrell	Greenfield
Anderson, R.	Bertram	Carlson	Dauner	Dempsey	Frerichs	Greiling
Battaglia	Bettermann	Carruthers	Dauids	Dorn	Garcia	Gruenes
Bauerly	Blatz	Clark	Dawkins	Erhardt	Girard	Gutknecht

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

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

Madam Speaker:

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

H. F. No. 1424, A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, and tank installer training and certification requirements; amending Minnesota Statutes 1992, section 116.47.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Munger moved that the House concur in the Senate amendments to H. F. No. 1424 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1424, A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, tank installer training and certification, and other requirements; amending Minnesota Statutes 1992, sections 115.03, by adding a subdivision; and 116.47.

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

Tomassoni	Tunheim	Vickerman	Weaver	Wenzel	Worke
Tompkins	Van Dellen	Wagenius	Wejcman	Winter	Workman
Trimble	Vellenga	Waltman	Welle	Wolf	Spk. Long

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

Madam Speaker:

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

H. F. No. 893, A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1992, section 487.25, subdivision 10.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Bertram moved that the House concur in the Senate amendments to H. F. No. 893 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 893, A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1992, section 487.25, subdivision 10.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 945, A bill for an act relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action; amending Minnesota Statutes 1992, sections 148.181, subdivisions 1 and 3; 148.211, subdivision 1; 148.212; and 148.261, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Asch moved that the House concur in the Senate amendments to H. F. No. 945 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 945, A bill for an act relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action; amending Minnesota Statutes 1992, sections 148.181, subdivisions 1 and 3; 148.211, subdivision 1; 148.212; and 148.261, subdivision 1.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 768, A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Jaros moved that the House concur in the Senate amendments to H. F. No. 768 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 768, A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

S. F. Nos. 1275, 237, 902, 1075, 1178, 340, 1105 and 532.

PATRICK E. FLAHAVERN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1275, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue determinations regarding association with a release; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B.

The bill was read for the first time.

Wagenius moved that S. F. No. 1275 and H. F. No. 1702, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 237, A bill for an act relating to agriculture; directing the commissioner of agriculture to promote farming of cervidae and maintain a data base on research and information; declaring farmed cervidae to be livestock and raising farmed cervidae to be an agricultural pursuit; prohibiting owners from allowing farmed cervidae to run at large; prescribing conditions for slaughter and sale of farmed cervidae as meat, fencing requirements, disease inspection, importation, and transportation requirements; requiring identification; prescribing conditions for farming cervidae; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; and 35.821, 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 Taxes.

S. F. No. 902, A bill for an act relating to motor carriers; defining armored carrier service; requiring any person providing armored carrier service to obtain an armored carrier permit from the transportation regulation board; providing for conversion of existing operating authority; amending Minnesota Statutes 1992, sections 221.011, by adding subdivisions; 221.072, subdivision 2; 221.111; 221.121, by adding a subdivision; 221.131, by adding a subdivision; 221.141, by adding a subdivision; 221.161, subdivision 1; and 221.185, subdivisions 1, 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 221.

The bill was read for the first time.

Osthoff moved that S. F. No. 902 and H. F. No. 858, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1075, A bill for an act relating to civil actions; including arbitration awards under the collateral source statute; amending Minnesota Statutes 1992, section 548.36, subdivisions 1, 2, 3, and 4.

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

S. F. No. 1178, A bill for an act relating to agriculture; declaring llamas and ratitae to be livestock and raising llamas and ratitae to be agricultural pursuits; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31.51, subdivision 9; 31A.02, subdivisions 4 and 10; and 31B.02, 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 Taxes.

S. F. No. 340, A bill for an act relating to the military; entering into the National Guard mutual assistance counterdrug activities compact; proposing coding for new law in Minnesota Statutes, chapter 192.

The bill was read for the first time.

Skoglund moved that S. F. No. 340 and H. F. No. 232, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1105, A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 245.97, subdivision 6; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; and 157; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3.

The bill was read for the first time.

Simoneau moved that S. F. No. 1105 and H. F. No. 1099, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 532, A bill for an act relating to courts; conciliation court; adopting one body of law to govern conciliation courts; increasing the jurisdictional limit; amending Minnesota Statutes 1992, sections 481.02, subdivision 3; and 549.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 550; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 487.30; 488A.12; 488A.13; 488A.14; 488A.15; 488A.16; 488A.17; 488A.29; 488A.30; 488A.31; 488A.32; 488A.33; and 488A.34; and Laws 1992, chapter 591, section 21.

The bill was read for the first time.

Dawkins moved that S. F. No. 532 and H. F. No. 591, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. No. 1585.

Stanius was excused between the hours of 12:25 p.m. and 2:10 p.m.

H. F. No. 1585 was reported to the House.

Sviggum, Gutknecht and Dauner moved to amend H. F. No. 1585, the second engrossment, as follows:

Page 133, after line 12, insert:

"Sec. 13. [609.2241] [KNOWING TRANSFER OF HIV VIRUS.]

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "Bodily fluid" includes blood, semen, saliva, and vaginal secretion;

(b) "HIV virus" means the human immunodeficiency virus; and

(c) "Transfer" means to engage in sexual intercourse; to permit reuse of a hypodermic needle, syringe, or similar device without sterilization; or to give blood or semen to a person, blood bank, or other medical facility for the purpose of transfusion or insemination.

Subd. 2. [CRIME.] Any person who transfers bodily fluid to another person, knowing or having reason to know that the bodily fluid is infected with the HIV virus, 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.

Subd. 3. [AFFIRMATIVE DEFENSES.] If proven by a preponderance of the evidence, it is an affirmative defense to a prosecution under subdivision 2 that:

(1) the transfer involved consensual sexual intercourse between persons, after full disclosure of the risk of HIV virus infection;

(2) the transfer involved consensual sexual intercourse accompanied by the use of a condom, after full disclosure of the risk of HIV virus infection; or

(3) the transfer occurred after advice from a physician that the actor was noninfectious."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Weaver moved to amend the Sviggum et al amendment to H. F. No. 1585, the second engrossment, as follows:

Page 1, line 23 of the Sviggum et al amendment, delete "full"

Page 1, line 24 of the Sviggum et al amendment, after "infection" insert "and the fact that the person has the HIV virus"

Page 2, line 2 of the Sviggum et al amendment, delete "full"

Page 2, line 3 of the Sviggum et al amendment, after "infection" insert "and the fact that the person has the HIV virus"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Sviggum et al amendment, as amended, and the roll was called. There were 110 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum
Anderson, I.	Cooper	Holsten	Krinkie	Munger	Peterson	Swenson
Anderson, R.	Dauner	Hugoson	Krueger	Neary	Pugh	Tomassoni
Asch	Davids	Huntley	Leppik	Nelson	Reding	Tompkins
Battaglia	Dehler	Jacobs	Lieder	Ness	Rest	Tunheim
Bauerly	Delmont	Jaros	Limmer	Olson, E.	Rhodes	Van Dellen
Beard	Dempsey	Jefferson	Lindner	Olson, K.	Rodosovich	Vickerman
Bergson	Dorn	Jennings	Luther	Olson, M.	Rukavina	Waltman
Bertram	Erhardt	Johnson, A.	Lynch	Ornen	Sarna	Weaver
Bettermann	Evans	Johnson, R.	Macklin	Opatz	Seagren	Wenzel
Bishop	Frerichs	Johnson, V.	Mahon	Osthoff	Sekhon	Winter
Blatz	Girard	Kalis	McCollum	Ostrom	Simoneau	Wolf
Brown, C.	Goodno	Kelso	McGuire	Ozment	Smith	Worke
Brown, K.	Gruenes	Kinkel	Milbert	Pauly	Solberg	Workman
Carlson	Gutknecht	Klinzing	Molnau	Pawlenty	Sparby	
Carruthers	Hasskamp	Knickerbocker	Morrison	Pelowski	Steenmsa	

Those who voted in the negative were:

Clark	Greenfield	Kelley	Murphy	Trimble	Welle
Dawkins	Greiling	Lasley	Orenstein	Vellenga	Spk. Long
Farrell	Hausman	Lourey	Orfield	Wagenius	
Garcia	Kahn	Mariani	Skoglund	Wejcman	

The motion prevailed and the amendment, as amended, was adopted.

Girard; Brown, C.; Sviggum; Limmer and Bertram moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Pages 24 to 26, delete sections 24 to 30

Re-number the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Pugh; Hasskamp; Limmer; Brown, C.; Swenson; Stanius and Holsten moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 26, line 26, before the semicolon insert ", or at funerals, parades, or other ceremonies"

Page 26, line 28, delete "or"

Page 26, after line 28, insert:

"(3) the carrying of antique firearms which are carried as curiosities or for their historical significance or value; or"

Page 26, line 29, delete "(3)" and insert "(4)"

Page 26, line 33, after "regularly" insert "and frequently" and after "public" insert "in sufficient numbers to give clear notice of the property's current dedication to public use"

Page 26, line 34, delete "or other"

Page 26, delete line 35

Page 26, line 36, delete everything before the semicolon and insert "place of business owned or managed by the person, or land possessed by the person; a gun show, gun shop, hunting or target shooting facility"

Page 27, line 2, before the period insert "or other lawful activity involving firearms"

The motion prevailed and the amendment was adopted.

Limmer moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 131, line 25, after "that" insert "there is due cause to believe"

Page 131, line 29, after "that" insert "there is due cause to believe"

Page 131, line 31, after "juror" insert "; except that non-identifying statistical information about jurors, including but not limited to sex and race, shall be provided to the supreme court upon request"

The motion prevailed and the amendment was adopted.

Van Dellen moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 148, after line 12, insert:

#### "ARTICLE 11

#### CRIMES COMMITTED IN SHOPPING AREAS

Section 1. Minnesota Statutes 1992, section 152.01, is amended by adding a subdivision to read:

Subd. 14b. [SHOPPING CENTER ZONE.] "Shopping center zone" means any property on which a retail business establishment, shopping center, or shopping mall is located, and includes the property on which any appurtenant parking lot, ramp, or garage is located.

Sec. 2. Minnesota Statutes 1992, section 152.022, subdivision 1, is amended to read:

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 of a total weight of three grams or more containing cocaine;

(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 other than cocaine;

(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 25 kilograms or more containing marijuana or Tetrahydrocannabinols;

(5) the person unlawfully sells any amount of a schedule I or II narcotic drug to a person under the age of 18, or conspires with or employs a person under the age of 18 to unlawfully sell the substance; or

(6) the person unlawfully sells any of the following in a school zone, a park zone, a shopping center zone, or a public housing zone:

(i) any amount of a schedule I or II narcotic drug;

(ii) one or more mixtures containing methamphetamine or amphetamine; or

(iii) one or more mixtures of a total weight of five kilograms or more containing marijuana or Tetrahydrocannabinols.

Sec. 3. Minnesota Statutes 1992, section 152.023, subdivision 2, is amended to read:

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 of a total weight of three grams or more containing cocaine;

(2) the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than cocaine;

(3) 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;

(4) the person unlawfully possesses any amount of a schedule I or II narcotic drug in a school zone, a park zone, a shopping center zone, or a public housing zone;

(5) the person unlawfully possesses one or more mixtures of a total weight of ten kilograms or more containing marijuana or Tetrahydrocannabinols; or

(6) the person unlawfully possesses one or more mixtures containing methamphetamine or amphetamine in a school zone, a park zone, a shopping center zone, or a public housing zone.

Sec. 4. Minnesota Statutes 1992, section 152.024, subdivision 1, is amended to read:

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 a controlled substance classified in schedule IV or V 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 a controlled substance classified in schedule IV or V; or

(4) the person unlawfully sells any amount of marijuana or Tetrahydrocannabinols in a school zone, a park zone, a shopping center zone, or a public housing zone, except a small amount for no remuneration.

Sec. 5. Minnesota Statutes 1992, section 609.152, subdivision 2, is amended to read:

Subd. 2. [INCREASED SENTENCES; DANGEROUS OFFENDERS.] (a) Whenever a person is convicted of a violent crime, and the judge is imposing an executed sentence based on a sentencing guidelines presumptive imprisonment sentence, the judge may impose an aggravated durational departure from the presumptive imprisonment sentence up to the statutory maximum sentence if the offender was at least 18 years old at the time the felony was committed, and:

(1) the court determines on the record at the time of sentencing that the offender has two or more prior convictions for violent crimes; and

(2) the court finds that the offender is a danger to public safety and specifies on the record the basis for the finding, which may include:

(i) the offender's past criminal behavior, such as the offender's high frequency rate of criminal activity or juvenile adjudications, or long involvement in criminal activity including juvenile adjudications; or

(ii) the fact that the present offense of conviction involved an aggravating factor that would justify a durational departure under the sentencing guidelines.

(b) Whenever a person is convicted of a violent crime, and the judge is imposing an executed sentence based on a sentencing guidelines presumptive imprisonment sentence, the judge may impose an aggravated durational departure from the presumptive imprisonment sentence up to the statutory maximum sentence if the court determines that the crime was committed in a shopping center zone, as defined in section 152.01, subdivision 14b.

Sec. 6. Minnesota Statutes 1992, section 609.66, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANOR AND GROSS MISDEMEANOR CRIMES.] (a) Whoever does any of the following is guilty of a crime and may be sentenced as provided in paragraph (b):

- (1) recklessly handles or uses a gun or other dangerous weapon or explosive so as to endanger the safety of another; or
- (2) intentionally points a gun of any kind, capable of injuring or killing a human being and whether loaded or unloaded, at or toward another; or
- (3) manufactures or sells for any unlawful purpose any weapon known as a slungshot or sand club; or
- (4) manufactures, transfers, or possesses metal knuckles or a switch blade knife opening automatically; or
- (5) possesses any other dangerous article or substance for the purpose of being used unlawfully as a weapon against another; or
- (6) outside of a municipality and without the parent's or guardian's consent, furnishes a child under 14 years of age, or as a parent or guardian permits the child to handle or use, outside of the parent's or guardian's presence, a firearm or airgun of any kind, or any ammunition or explosive.

Possession of written evidence of prior consent signed by the minor's parent or guardian is a complete defense to a charge under clause (6).

(b) A person convicted under paragraph (a) may be sentenced as follows:

- (1) if the act was committed in a public housing zone, as defined in section 152.01, subdivision 19, a school zone, as defined in section 152.01, subdivision 14a, a shopping center zone, as defined in section 152.01, subdivision 14b, or a park zone, as defined in section 152.01, subdivision 12a, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both; or
- (2) otherwise, including where the act was committed on residential premises within a zone described in clause (1) if the offender was at the time an owner, tenant, or invitee for a lawful purpose with respect to those residential premises, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both.

Sec. 7. Minnesota Statutes 1992, section 609.66, subdivision 1a, is amended to read:

Subd. 1a. [FELONY CRIMES.] (a) Whoever does any of the following is guilty of a felony and may be sentenced as provided in paragraph (b):

- (1) sells or has in possession any device designed to silence or muffle the discharge of a firearm; or
- (2) intentionally discharges a firearm under circumstances that endanger the safety of another.

(b) A person convicted under paragraph (a) may be sentenced as follows:

- (1) if the act was committed in a public housing zone, as defined in section 152.01, subdivision 19, a school zone, as defined in section 152.01, subdivision 14a, a shopping center zone, as defined in section 152.01, subdivision 14b, or a park zone, as defined in section 152.01, subdivision 12a, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both; or
- (2) otherwise, to imprisonment for not more than two years or to payment of a fine of not more than \$5,000, or both.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective August 1, 1993, and apply to crimes committed on or after that date."

Amend the title accordingly

Renumber the articles in sequence

A roll call was requested and properly seconded.

The question was taken on the Van Dellen amendment and the roll was called. There were 74 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Holsten	Leppik	Mosel	Pawlenty	Sviggum
Anderson, R.	Dehler	Hugoson	Lieder	Munger	Pelowski	Swenson
Beard	Dempsey	Jacobs	Limmer	Neary	Perlt	Tunheim
Bergson	Dorn	Jennings	Lindner	Ness	Peterson	Van Dellen
Bertram	Erhardt	Johnson, A.	Luther	Olson, E.	Pugh	Vickerman
Bettermann	Frerichs	Johnson, V.	Lynch	Olson, M.	Rest	Waltman
Blatz	Girard	Kalis	Mahon	Ornen	Rhodes	Wolf
Brown, K.	Goodno	Klinzing	McCollum	Opatz	Rodosovich	Workman
Carlson	Gruenes	Knickerbocker	Milbert	Osthoff	Seagren	
Commers	Gutknecht	Koppendrayner	Molnau	Ozment	Smith	
Cooper	Haukoos	Krinkie	Morrison	Pauly	Sparby	

Those who voted in the negative were:

Anderson, I.	Dauner	Hausman	Kinkel	Olson, K.	Sekhon	Wagenius
Asch	Dawkins	Huntley	Krueger	Orenstein	Simoneau	Weaver
Battaglia	Evans	Jaros	Lasley	Orfield	Skoglund	Wejcmán
Bauerly	Farrell	Jefferson	Lourey	Ostrom	Solberg	Welle
Bishop	Garcia	Johnson, R.	Mariani	Reding	Steensma	Wenzel
Brown, C.	Greenfield	Kahn	McGuire	Rice	Tomassoni	Winter
Carruthers	Greiling	Kelley	Murphy	Rukavina	Trimble	Worke
Clark	Hasskamp	Kelso	Nelson	Sarna	Vellenga	Spk. Long

The motion prevailed and the amendment was adopted.

Rukavina moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 76, after line 28, insert:

"Sec. 8. Minnesota Statutes 1992, section 540.18, subdivision 1, is amended to read:

Subdivision 1. The parent or guardian of the person of a minor who is under the age of 18 and who is living with the parent or guardian and who willfully or maliciously causes injury to any person or damage to any property is jointly and severally liable with such minor for such injury or damage to an amount not exceeding ~~\$500~~ \$1,000, if such minor would have been liable for such injury or damage if the minor had been an adult. Nothing in this subdivision shall be construed to relieve such minor from personal liability for such injury or damage. The liability provided in this subdivision is in addition to and not in lieu of any other liability which may exist at law. Recovery under this section shall be limited to special damages."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Carruthers moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 94, lines 24 to 26, delete the new language and restore the stricken language

The motion prevailed and the amendment was adopted.

Krinkie, Swenson and Davids moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 42, line 23, delete everything after the period

Page 42, delete lines 24 to 27

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

Asch moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 127, after line 30, insert:

"Sec. 2. Minnesota Statutes 1992, section 144.765, is amended to read:

144.765 [PATIENT'S RIGHT TO REFUSE TESTING.]

Upon notification of a significant exposure, the facility shall ask the patient to consent to blood testing to determine the presence of the HIV virus or the hepatitis B virus. The patient shall be informed that the test results without personally identifying information will be reported to the emergency medical services personnel. The patient shall be informed of the right to refuse to be tested. If the patient refuses to be tested, the patient's refusal will be forwarded to the emergency medical services agency and to the emergency medical services personnel. The right to refuse a blood test under the circumstances described in this section does not apply to a prisoner who is in the custody or under the jurisdiction of the commissioner of corrections or a local correctional authority."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Olson, M., moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 130, line 5, strike "609.185, clause"

Page 130, line 6, strike everything before "609.346"

Page 130, line 17, strike everything after "section"

Page 130, line 18, strike everything before "609.346"

Page 133, strike the existing language on lines 5 to 11 and delete the new language

Page 133, line 12, strike "crime" and insert "if the person is convicted of first degree murder under section 609.185"

A roll call was requested and properly seconded.

The question was taken on the Olson, M., amendment and the roll was called. There were 62 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Hugoson	Krueger	Nelson	Pawlenty	Tompkins
Bergson	Frerichs	Jennings	Leppik	Ness	Pelowski	Van Dellen
Bertram	Girard	Johnson, A.	Limmer	Olson, E.	Peterson	Vickerman
Bettermann	Goodno	Johnson, R.	Lindner	Olson, M.	Rhodes	Waltman
Commers	Gruenes	Johnson, V.	Luther	Onnen	Seagren	Wenzel
Cooper	Gutknecht	Klinzing	Lynch	Opatz	Smith	Wolf
Davids	Hasskamp	Knickerbocker	Molnau	Osthoff	Sparby	Worke
Dehler	Haukoos	Koppendrayner	Morrison	Ozment	Steensma	Workman
Dempsey	Holsten	Krinkie	Mosel	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, I.	Clark	Hausman	Lasley	Olson, K.	Rukavina	Vellenga
Anderson, R.	Dauner	Huntley	Lieder	Orenstein	Sarna	Wagenius
Asch	Dawkins	Jacobs	Lourey	Orfield	Sekhon	Weaver
Battaglia	Delmont	Jaros	Mahon	Ostrom	Simoneau	Wejcmán
Bauerly	Dorn	Jefferson	Mariani	Perlt	Skoglund	Welle
Beard	Evans	Kahn	McCollum	Pugh	Solberg	Spk. Long
Brown, C.	Farrell	Kalis	Milbert	Reding	Swenson	
Brown, K.	Garcia	Kelley	Munger	Rest	Tomassoni	
Carlson	Greenfield	Kelso	Murphy	Rice	Trimble	
Carruthers	Greiling	Kinkel	Neary	Rodosovich	Tunheim	

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

Brown, C., moved to amend H. F. No. 1585, the second engrossment, as amended, as follows:

Page 127, delete section 1

Page 147, after line 34, insert:

"Sec. 31. [CRIMINAL HISTORY RECORD ACCESS STUDY.]

The criminal and juvenile justice information policy group shall study and make recommendations on the desirability and feasibility of making criminal conviction data maintained by the bureau of criminal apprehension accessible to the public. The study must include:

- (1) public safety concerns;
- (2) the effect of public access on employability and reintegration of offenders in the community;
- (3) the discriminatory impact of public access on different racial groups; and
- (4) the need for applying the criminal offenders rehabilitation act in Minnesota Statutes, chapter 364, to private employers or for providing other remedies for employees who may be the subject of adverse action based on criminal history background checks.

The policy group shall report to the legislature under this section by December 1, 1993."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Brown, C., amendment and the roll was called. There were 42 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Jacobs	Kinkel	Nelson	Rice	Tomassoni
Anderson, R.	Farrell	Jaros	Klinzing	Ness	Rukavina	Trimble
Brown, C.	Garcia	Jefferson	Lourey	Olson, K.	Sarna	Vellenga
Brown, K.	Greenfield	Jennings	Mariani	Pelowski	Solberg	Wejcman
Cooper	Hasskamp	Kahn	Milbert	Perlt	Sparby	Welle
Dauner	Hausman	Kelso	Neary	Peterson	Steensma	Winter

Those who voted in the negative were:

Abrams	Dauids	Haukoos	Lasley	Munger	Pugh	Tompkins
Asch	Dehler	Holsten	Lieder	Murphy	Reding	Tunheim
Battaglia	Delmont	Hugoson	Limmer	Olson, E.	Rest	Van Dellen
Bauerly	Dempsey	Huntley	Lindner	Olson, M.	Rhodes	Vickerman
Beard	Dorn	Johnson, A.	Luther	Onnen	Rodosovich	Wagenius
Bergson	Erhardt	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Bertram	Evans	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Bettermann	Frerichs	Kalis	Mahon	Orfield	Simoneau	Wenzel
Blatz	Girard	Kelley	McCollum	Osthoff	Skoglund	Wolf
Carlson	Goodno	Knickerbocker	McGuire	Ostrom	Smith	Worke
Carruthers	Greiling	Koppendrayner	Molnau	Ozment	Stanisus	Workman
Clark	Gruenes	Krinkie	Morrison	Pauly	Sviggum	Spk. Long
Commers	Gutknecht	Krueger	Mosel	Pawlenty	Swenson	

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

H. F. No. 1585, A bill for an act relating to crime; imposing penalties for a variety of firearms-related offenses; expanding forfeiture provisions; revising and increasing penalties for stalking, harassment, and domestic abuse offenses; providing for improved training, investigation and enforcement of these laws; increasing penalties for and making revisions to certain controlled substance offenses; increasing penalties for crimes committed by groups; increasing penalties and improving enforcement of arson and related crimes; making certain changes to restitution and other crime victim laws; revising laws relating to law enforcement agencies, and state and local corrections agencies; requiring certain counties to establish pretrial diversion programs; revising and increasing penalties for a variety of other criminal laws; clarifying certain provisions for the new felony sentencing system; making technical corrections to sentencing statutes; regulating crimes in certain shopping areas; making knowing transfer of HIV virus a felony; increasing parental liability; limiting right to refuse blood testing; appropriating money; amending Minnesota Statutes 1992, sections 8.16, subdivision 1; 13.87, subdivision 2; 16B.08, subdivision 7; 127.03, subdivision 3; 144.765; 144A.04, subdivisions 4 and 6; 144A.11, subdivision 3a; 144B.08, subdivision 3; 152.01, by adding a subdivision; 152.021, subdivision 3; 152.022, subdivisions 1, 2, and 3; 152.023, subdivisions 2 and 3; 152.024, subdivisions 1 and 3; 152.025, subdivision 3; 152.026; 152.0971, subdivisions 1, 3, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; 152.0974; 152.18, subdivision 1; 168.346; 169.121, subdivision 3a; 169.222, subdivisions 1 and 6; 169.64, subdivision 3; 169.98, subdivision 1a; 214.10, by adding subdivisions; 238.16, subdivision 2; 241.09; 241.26, subdivision 5; 241.67, subdivision 2; 243.166, subdivision 1; 243.23, subdivision 3; 244.01, subdivision 8, and by adding a subdivision; 244.05, subdivisions 1b, 4, 5, and by adding a subdivision; 244.065; 244.101; 244.14, subdivisions 2 and 3; 244.15, subdivision 1; 244.17, subdivision 3; 244.171, subdivisions 3 and 4; 244.172, subdivisions 1 and 2; 260.185, subdivisions 1 and 1a; 260.193, subdivision 8; 260.251, subdivision 1; 299A.35, subdivision 2; 299C.46, by adding a subdivision; 299D.03, subdivision 1; 299D.06; 299F.04, by adding a subdivision; 299F.815, subdivision 1; 388.23, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 401.02, subdivision 4; 473.386, by adding a subdivision; 480.0591, subdivision 6; 480.30; 485.018, subdivision 5; 518B.01, subdivisions 2, 3, 6, 7, 9, and 14; 540.18, subdivision 1; 541.15; 609.02, subdivision 6; 609.0341, subdivision 1; 609.035; 609.05, subdivision 1; 609.06; 609.101, subdivisions 2, 3, and 4; 609.11; 609.135, subdivisions 1, 1a, and 2; 609.1352, subdivision 1; 609.14, subdivision 1; 609.15, subdivision 2; 609.152, subdivisions 1 and 2; 609.175, subdivision 2, and by adding a subdivision; 609.184, subdivision 2; 609.196; 609.224, subdivision 2; 609.229, subdivision 3; 609.251; 609.341, subdivisions 10, 17, 18, and 19; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivisions 2, 2b,

and 5; 609.3461; 609.378, subdivision 1; 609.494; 609.495; 609.505; 609.531, subdivision 1; 609.5314, subdivision 1; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.582, subdivision 1a; 609.585; 609.605, subdivision 1, and by adding a subdivision; 609.66, subdivisions 1, 1a, and by adding subdivisions; 609.67, subdivisions 1 and 2; 609.686; 609.71; 609.713, subdivision 1; 609.746, by adding a subdivision; 609.748, subdivisions 1, 2, 3, 5, 6, 8, and by adding subdivisions; 609.79, subdivision 1; 609.795, subdivision 1; 609.856, subdivision 1; 609.891, subdivision 2; 609.902, subdivision 4; 611A.02, subdivision 2; 611A.031; 611A.0315; 611A.04, subdivisions 1, 1a, 3, and by adding a subdivision; 611A.06, subdivision 1; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; 624.711; 624.712, subdivisions 5, 6, and by adding a subdivision; 624.713; 624.7131, subdivisions 1, 4, and 10; 624.7132; 626.05, subdivision 2; 626.13; 626.556, subdivision 10; 626.8451, subdivision 1a; 626A.05, subdivision 1; 626A.06, subdivisions 4, 5, and 6; 626A.10, subdivision 1; 626A.11, subdivision 1; 628.26; 629.291, subdivision 1; 629.34, subdivision 1; 629.341, subdivision 1; 629.342, subdivision 2; 629.72; 631.046, subdivision 1; 631.41; and 641.14; Laws 1991, chapter 279, section 41; Laws 1992, chapter 571, article 7, section 13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 121; 152; 169; 174; 242; 260; 401; 473; 593; 609; 611A; and 624; repealing Minnesota Statutes 1992, sections 152.0973, subdivision 4; 214.10, subdivisions 4, 5, 6, and 7; 241.25; 609.02, subdivisions 12 and 13; 609.131, subdivision 1a; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; 609.795, subdivision 2; 611A.57, subdivision 1; and 629.40, subdivision 5.

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

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

Those who voted in the affirmative were:

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

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

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

## REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

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

Reported the same back with the following amendments:

Pages 7 and 8, delete section 3

Page 9, after line 15, insert:

"Sec. 5. Minnesota Statutes 1992, section 103G.2369, is amended by adding a subdivision to read:

Subd. 4a. [ELECTION BY LOCAL GOVERNMENT UNIT.] Notwithstanding subdivision 2 and sections 103G.222 and 103G.2242, a local government unit may elect to operate under this section after July 1, 1993, but not beyond December 31, 1993."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "subdivisions 1 and" and insert "subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 1402 was read for the second time.

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1408:

Limmer, Smith and Wenzel.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1709:

Rice, Mariani, Steensma, Sarna and Lieder.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1613:

Rice, Clark, Dempsey, Lieder and Mariani.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1620:

Krueger; Kahn; Johnson, R.; Knickerbocker and Haukoos.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bill as a Special Order to be acted upon immediately preceding printed Special Orders for today, Thursday, April 29, 1993:

H. F. No. 984.

**SPECIAL ORDERS**

H. F. No. 984 was reported to the House.

Krueger moved to amend H. F. No. 984, the first engrossment, as follows:

Page 10, line 2, before "member" insert "nonvoting" and before the first "of" insert "who is a member"

Page 10, line 3, before "member" insert "nonvoting" and before "of" insert "who is a member"

Page 10, line 7, reinstate the stricken language

Page 10, line 8, reinstate the stricken "expire until June 30," and before the period insert "1997"

The motion prevailed and the amendment was adopted.

Opatz, Delmont, Perlt, Bergson, Gruenes, Haukoos, Huntley and Long moved to amend H. F. No. 984, the first engrossment, as amended, as follows:

Page 2, after line 8, insert:

"Sec. 3. Minnesota Statutes 1992, section 16A.11, is amended by adding a subdivision to read:

Subd. 3b. [CONTRACTS.] The detailed budget estimate must also include the following information on professional and technical services contracts involving departments listed in section 15.01:

(1) the number and amount of all contracts for each agency for the past biennium;

(2) the anticipated number and amount of all contracts for each agency for the upcoming biennium; and

(3) the total value of all contracts from the previous biennium, and the anticipated total value of all contracts for the upcoming biennium."

Page 2, after line 26, insert:

"Sec. 5. [16B.166] [CONTRACT OVERSIGHT BOARD.]

The contract oversight board consists of one person appointed by the speaker of the house, one person appointed by the senate committee on rules and administration, one person appointed by the attorney general, and three persons appointed by the governor. The board shall meet at least quarterly to selectively review professional and technical service contracts entered into by departments listed in section 15.01. The purpose of the review is to assure that the contracting agencies and the commissioner of administration have followed all applicable laws. The board shall give particular emphasis to assuring compliance with laws requiring an agency to certify that: (1) no state employee was able to perform the services called for; and (2) reasonable efforts were made to publicize the availability of the contract. The legislative auditor shall assist the board in its reviews.

## Sec. 6. [16B.167] [EMPLOYEE SKILLS INVENTORY.]

The commissioners of employee relations and administration shall develop a list of skills that state agencies commonly seek from professional and technical services contracts as developed through the collective bargaining process.

Page 3, after line 23, insert:

"(4) no contract, including any amendments and extensions, will extend for more than five years;"

Renumber subsequent clauses

Page 3, line 32, before "Before" insert "(a)"

Page 3, line 36, before "no" insert "the agency has publicized the contract by posting notices at employee work sites and has determined that"

Page 3, line 36, after "employee" insert ", including an employee outside the contracting agency,"

Page 4, after line 20, insert:

"(b) The agency certification must include:

(1) a description as to how the agency complied with paragraph (a), clauses (1) and (4); and

(2) what steps the agency has taken to verify the competence of the proposed contractor.

Subd. 3a. [RENEWALS.] A renewal of a contract must comply with all requirements, including notice, required for the original contract. A renewal contract must be identified as such. All notices and reports on a renewal contract must state the date of the original contract and the amount paid previously under the contract."

Page 4, line 21, before "The" insert "(a)"

Page 4, line 27, after "quarterly" insert "and annual"

Page 4, after line 29, insert:

"(b) The monthly, quarterly, and annual reports must:

(1) be sorted by agency and by contractor;

(2) show the aggregate value of contracts issued by each agency and issued to each contractor;

(3) distinguish between original and renewal contracts;

(4) state the termination date of each contract; and

(5) categorize contracts according to subject matter, including topics such as contracts for training, contracts for research and opinions, and contracts for computer systems."

Page 5, after line 3, insert:

"Subd. 6. [REPORTING ON CONTRACTS.] (a) This subdivision applies to contracts entered into by departments listed in section 15.01 that are valued at more than \$3,000 and that:

(1) are subject to review and approval of the commissioner of administration;

(2) are not for supplies or materials; and

(3) involve analysis, evaluation, prediction, planning, or recommendation, or completion of a task that is predominantly intellectual in character.

(b) The terms of the contract must provide that no more than 90 percent of the amount due under the contract may be paid until the chief executive of the agency entering into the contract has:

(1) reviewed the final product; and

(2) certified that the contractor has satisfactorily fulfilled the terms of the contract.

(c) Within 30 days of final completion of a contract covered by this subdivision, the chief executive of the agency entering into the contract must submit a one page statement to the chairs of the appropriate policy and finance committees or divisions in the legislature. The report must:

(1) summarize the purpose of the contract, including why it was necessary to enter into a contract to further the agency's mission;

(2) evaluate the conclusions reached under the contract, and state how these conclusions help the agency to take action to further accomplish its mission; and

(3) state the amount spent on the contract, and explain why this amount was a cost-effective way to enable the agency to provide its services or products better or more efficiently."

Page 23, after line 1, insert:

"Sec. 32. [EMPLOYEE COMPENSATION SAVINGS.]

Notwithstanding Minnesota Statutes, section 16A.28, during the biennium ending June 30, 1995, unspent money which was allocated to a department listed in section 15.01 for state employee salaries and benefits shall cancel to the fund from which the money saved was appropriated to the department.

Sec. 33. [TRANSFER.]

During the biennium ending June 30, 1995, the commissioner of administration shall transfer two additional full-time equivalent positions to review professional and technical service contracts."

Page 23, delete lines 7 to 9 and insert:

"Sections 3 to 9, 15 to 18, 32, and 33 are effective July 1, 1993. Sections 1 and 2, 10 to 14, and 19 to 31 and 34 are effective the day following final enactment."

A roll call was requested and properly seconded.

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

Those who voted in the affirmative were:

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

Solberg	Sviggum	Trimble	Wagenius	Welle	Worke	Spk. Long
Sparby	Swenson	Tunheim	Waltman	Wenzel	Workman	
Stanius	Tomassoni	Van Dellen	Weaver	Winter		
Steensma	Tompkins	Vickerman	Wejzman	Wolf		

The motion prevailed and the amendment was adopted.

Opatz, Delmont, Perl, Bergson, Gruenes, Huntley and Long moved to amend H. F. No. 984, the first engrossment, as amended, as follows:

Page 23, after line 1, insert:

"Sec. 29. [SPENDING LIMITATIONS ON CONTRACTS.]

During the biennium ending June 30, 1995, the amount spent by a department listed in Minnesota Statutes, section 15.01 from direct-appropriated funds on professional or technical service contracts that are subject to review and approval of the commissioner of administration may not exceed 90 percent of the amount the department spent on these contracts from these funds in the biennium from July 1, 1991 to June 30, 1993. For purposes of this section, professional or technical service contracts are as defined in Minnesota Statutes, section 16B.17, but do not include contracts for highway construction or maintenance."

Re-number the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Opatz et al amendment and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

The Speaker called Trimble to the Chair.

The Speaker resumed the Chair.

Jacobs moved to amend H. F. No. 984, the first engrossment, as amended, as follows:

Pages 18 to 19, delete Section 26

Renumber the remaining sections

A roll call was requested and properly seconded.

The question was taken on the Jacobs amendment and the roll was called. There were 53 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hausman	Knickerbocker	Morrison	Pauly	Weaver
Asch	Dehler	Holsten	Limner	Neary	Pawlenty	Winter
Bertram	Erhardt	Jacobs	Lindner	Olson, E.	Pugh	Wolf
Carlson	Farrell	Jennings	Luther	Olson, M.	Rest	Worke
Carruthers	Frerichs	Johnson, A.	Lynch	Ornen	Rice	Workman
Clark	Garcia	Kahn	Macklin	Orenstein	Seagren	
Commers	Greiling	Kelley	Mariani	Orfield	Stanius	
Dauner	Gruenes	Klinzing	McGuire	Osthoff	Trimble	

Those who voted in the negative were:

Anderson, I.	Dorn	Jefferson	McCollum	Pelowski	Smith	Wagenius
Anderson, R.	Evans	Johnson, R.	Molnau	Perlt	Solberg	Waltman
Battaglia	Girard	Johnson, V.	Mosel	Peterson	Sparby	Wejcman
Beard	Goodno	Kalis	Munger	Reding	Steensma	Welle
Bergson	Greenfield	Kinkel	Murphy	Rhodes	Sviggum	Wenzel
Bettermann	Gutknecht	Krinkie	Nelson	Rodosovich	Swenson	Spk. Long
Brown, C.	Hasskamp	Krueger	Ness	Rukavina	Tomassoni	
Brown, K.	Haukoos	Leppik	Olson, K.	Sarna	Tompkins	
Cooper	Hugoson	Lieder	Opatz	Sekhon	Tunheim	
Davids	Huntley	Lourey	Ostrom	Simoneau	Van Dellen	
Dempsey	Jaros	Mahon	Ozment	Skoglund	Vickerman	

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

H. F. No. 984, A bill for an act relating to state government; modifying provisions relating to the department of administration; amending Minnesota Statutes 1992, sections 13B.04; 15.061; 16B.06, subdivision 2; 16B.17; 16B.19, subdivisions 2 and 10; 16B.24, subdivision 6, and by adding a subdivision; 16B.27, subdivision 3; 16B.32, subdivision 2; 16B.42; 16B.465, subdivision 6; 16B.48, subdivisions 2 and 3; 16B.49; 16B.51, subdivisions 2 and 3; 16B.85, subdivision 1; 94.10, subdivision 1; 343.01, subdivisions 2, 3, and by adding subdivisions; and 403.11, subdivision 1; Laws 1979, chapter 333, section 18; and Laws 1991, chapter 345, article 1, section 17, subdivision 4, as amended; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, sections 3.3026; 16B.41, subdivision 4; 16B.56, subdivision 4; Laws 1987, chapter 394, section 13.

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

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

S. F. No. 397, A bill for an act relating to highways; allowing county state-aid highway money to be used for certain equipment for emergency responders; amending Minnesota Statutes 1992, section 162.08, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 87 was reported to the House.

Perlt moved that H. F. No. 87 be continued on Special Orders. The motion prevailed.

H. F. No. 671 was reported to the House.

Mahon moved to amend H. F. No. 671, the second engrossment, as follows:

Page 7, after line 15, insert:

"Sec. 3. Minnesota Statutes 1992, section 473.523, subdivision 1, is amended to read:

Subdivision 1. No contract for any construction work, or for the purchase of materials, supplies, or equipment, costing more than ~~\$15,000~~ the amount specified by section 471.345, subdivision 3, shall be made by the commission without publishing once in a legal newspaper or trade paper published in a city of the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. The commission shall have the right to set qualifications and specifications and to require bids to meet all such qualifications and specifications before being accepted. If the commission by an affirmative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of ~~\$15,000~~ the amount specified by section 471.345, subdivision 3, or in making emergency repairs, it shall not be necessary to advertise for bids.

Sec. 4. Minnesota Statutes 1992, section 473.523, subdivision 2, is amended to read:

Subd. 2. The administrator may, without prior approval of the commission and without advertising for bids, enter into any contract of the type referred to in subdivision 1 which is not in excess of ~~\$15,000~~ the amount specified by section 471.345, subdivision 3."

Renumber the remaining sections accordingly

Page 7, line 17, delete "and 2" and insert "to 4"

Page 7, line 20, delete "3" and insert "5"

Amend the title as follows:

Page 1, line 7, after the second semicolon insert "amending Minnesota Statutes 1992, section 473.523, subdivisions 1 and 2;"

The motion prevailed and the amendment was adopted.

Bishop was excused for the remainder of today's session.

Workman moved to amend H. F. No. 671, the second engrossment, as amended, as follows:

Page 7, line 18, delete "and" and after "Washington" insert ", Sherburne, Isanti, Chisago, Wright, Meeker, McLeod, Sibley, Le Sueur, Rice, and Goodhue"

A roll call was requested and properly seconded.

The question was taken on the Workman amendment and the roll was called. There were 28 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Asch	Dempsey	Johnson, V.	Leppik	Morrison	Seagren	Vickerman
Beard	Frerichs	Knickerbocker	Lynch	Pauly	Stanisus	Wolf
Commers	Gutknecht	Koppendrayner	Macklin	Pawlenty	Tompkins	Worke
Davids	Holsten	Krinkie	Molnau	Perlt	Van Dellen	Workman

Those who voted in the negative were:

Abrams	Dauner	Hausman	Lasley	Ness	Rest	Trimble
Anderson, I.	Dawkins	Hugoson	Lieder	Olson, E.	Rhodes	Tunheim
Anderson, R.	Dehler	Huntley	Lindner	Olson, K.	Rice	Wagenius
Battaglia	Delmont	Jacobs	Lourey	Olson, M.	Rodosovich	Waltman
Bauerly	Dorn	Jaros	Luther	Ommen	Rukavina	Wejcman
Bergson	Evans	Jefferson	Mahon	Opatz	Sarna	Welle
Bertram	Farrell	Jennings	Mariani	Orenstein	Sekhon	Wenzel
Bettermann	Garcia	Johnson, A.	McCollum	Orfield	Simoneau	Winter
Blatz	Girard	Johnson, R.	McGuire	Osthoff	Skoglund	Spk. Long
Brown, C.	Goodno	Kahn	Milbert	Ostrom	Smith	
Brown, K.	Greenfield	Kalis	Mosel	Ozment	Solberg	
Carlson	Greiling	Kelso	Munger	Pelowski	Steensma	
Carruthers	Gruenes	Kinkel	Murphy	Peterson	Sviggum	
Clark	Hasskamp	Klinzing	Neary	Pugh	Swenson	
Cooper	Haukoos	Krueger	Nelson	Reding	Tomassoni	

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

Davids was excused for the remainder of today's session.

H. F. No. 671, A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; amending Minnesota Statutes 1992, section 473.523, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

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 79 yeas and 51 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

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

### GENERAL ORDERS

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

### MOTIONS AND RESOLUTIONS

Simoneau moved that the name of Evans be added as an author on H. F. No. 403. The motion prevailed.

Farrell moved that the name of Rhodes be added as an author on H. F. No. 700. The motion prevailed.

Greenfield moved that the name of Leppik be added as an author on H. F. No. 1178. The motion prevailed.

Perlt moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Monday, April 26, 1993, when the vote was taken on the final passage of S. F. No. 1496, as amended." The motion prevailed.

Leppik moved that H. F. No. 245 be returned to its author. The motion prevailed.

Girard moved that H. F. No. 355 be returned to its author. The motion prevailed.

Johnson, R., moved that H. F. No. 1088 be returned to its author. The motion prevailed.

### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:30 a.m., Friday, April 30, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:30 a.m., Friday, April 30, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FORTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 30, 1993

The House of Representatives convened at 9:30 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Dr. Eugene Kreider, Professor of Pastoral Theology, Luther Northwestern Seminary, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Bishop was excused.

Mahon and Pelowski were excused until 10:00 a.m. Welle was excused until 11:15 a.m. Macklin was excused until 3:00 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 340 and H. F. No. 232, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Skoglund moved that S. F. No. 340 be substituted for H. F. No. 232 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 532 and H. F. No. 591, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Dawkins moved that the rules be so far suspended that S. F. No. 532 be substituted for H. F. No. 591 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 902 and H. F. No. 858, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Osthoff moved that the rules be so far suspended that S. F. No. 902 be substituted for H. F. No. 858 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1105 and H. F. No. 1099, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Simoneau moved that the rules be so far suspended that S. F. No. 1105 be substituted for H. F. No. 1099 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1275 and H. F. No. 1702, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Wagenius moved that the rules be so far suspended that S. F. No. 1275 be substituted for H. F. No. 1702 and that the House File be indefinitely postponed. The motion prevailed.

### SECOND READING OF SENATE BILLS

S. F. Nos. 340, 532, 902, 1105 and 1275 were read for the second time.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 1153, A bill for an act relating to civil actions; clarifying the limits on recovery for economic loss caused by components of manufactured goods; amending Minnesota Statutes 1992, section 604.10.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 546, A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

PATRICK E. FLAHAVEN, Secretary of the Senate

Waltman moved that the House refuse to concur in the Senate amendments to H. F. No. 546, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 51, A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 168A.152, by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 1, 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5:

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Evans moved that the House concur in the Senate amendments to H. F. No. 51 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 51, A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 168A.152, by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 1, 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 119 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Rodosovich	Sekhon	Solberg	Swenson	Tunheim	Weaver	Wolf
Rukavina	Simoneau	Sparby	Tomassoni	Van Dellen	Wejzman	Worke
Sarna	Skoglund	Steensma	Tompkins	Vickerman	Wenzel	Workman
Seagren	Smith	Sviggum	Trimble	Wagenius	Winter	Spk. Long

Those who voted in the negative were:

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

Madam Speaker:

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

H. F. No. 1404, A bill for an act relating to the city of New Brighton; permitting the city to acquire granular carbon without a bond.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Evans moved that the House concur in the Senate amendments to H. F. No. 1404 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1404, A bill for an act relating to the cities of New Brighton and St. Louis Park; permitting the cities to acquire granular carbon without a bond.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

S. F. Nos. 480, 674, 741, 1097, 190, 1036, 1262, 1000, 1074, 403, 1437, 175, 470 and 1077.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 480, A bill for an act relating to workers' compensation; requiring appointment of guardians and conservators for minors and incapacitated persons; amending Minnesota Statutes 1992, sections 176.091; 176.111, subdivision 5; and 176.521, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 176; and 525.

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

S. F. No. 674, A bill for an act relating to civil actions; regulating the posting of a bond required of plaintiffs in certain actions against a public body; amending Minnesota Statutes 1992, section 562.02.

The bill was read for the first time.

Orenstein moved that S. F. No. 674 and H. F. No. 747, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 741, A bill for an act relating to civil actions; authorizing appeals from the decisions of civil service commissions by first-class cities and their employees on the same basis and to the same extent; amending Minnesota Statutes 1992, section 484.01.

The bill was read for the first time.

Orenstein moved that S. F. No. 741 and H. F. No. 655, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1097, A bill for an act relating to trusts; prohibiting trustees from exercising certain powers; proposing coding for new law in Minnesota Statutes, chapter 501B.

The bill was read for the first time.

Pugh moved that S. F. No. 1097 and H. F. No. 1191, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 190, A bill for an act relating to background checks; providing that certain criminal conviction data are public; providing that a record of conviction of certain crimes and other determinations disqualify an individual from obtaining certain human services licenses; providing for access to certain data on day care and foster care licensees; amending Minnesota Statutes 1992, sections 13.46, subdivision 4; 13.87, subdivision 2; and 245A.04, subdivision 3b.

The bill was read for the first time.

Carruthers moved that S. F. No. 190 and H. F. No. 18, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1036, A bill for an act relating to commerce; trade practices; regulating transfers and sales of recordings; prescribing penalties; amending Minnesota Statutes 1992, sections 325E.17; 325E.18; 325E.19; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E; repealing Minnesota Statutes 1992, section 325E.20.

The bill was read for the first time.

Brown, C., moved that S. F. No. 1036 and H. F. No. 1206, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1262, A bill for an act relating to the metropolitan transit commission; authorizing the commission to appoint peace officers and establish a law enforcement agency; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, section 629.40, subdivision 5.

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

S. F. No. 1000, A bill for an act relating to real estate; regulating fees, licenses, and agreements; requiring certain disclosures; providing for meetings of the real estate appraiser advisory board; changing terms; regulating fees and licenses; amending Minnesota Statutes 1992, sections 82.17, subdivision 4, and by adding subdivisions; 82.19, subdivision 5, and by adding subdivisions; 82.20, subdivision 15; 82.21, subdivision 1, and by adding a subdivision; 82.22, subdivisions 6 and 13; 82.24, subdivision 1; 82.27, subdivision 1; 82.33, subdivision 2, and by adding subdivisions; 82.34, subdivisions 3 and 7; 82B.02, by adding a subdivision; 82B.035, by adding a subdivision; 82B.05, subdivision 5; 82B.11; 82B.14; 82B.19, subdivision 2; and 507.45, subdivision 4; Laws 1992, chapter 555, article 1, section 12; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 1992, sections 82.22, subdivision 7; and 462A.201, subdivision 5; Minnesota Rules, part 2805.1200.

The bill was read for the first time.

Krickerbocker moved that S. F. No. 1000 and H. F. No. 1137, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1074, A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; deletion of land from Moose Lake state recreation area; private use of state trails; appropriating money; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 85.015, by adding a subdivision; 86A.05, subdivision 14; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; 94.343, subdivision 3; 94.348, subdivision 2; and 97A.135, subdivision 2, and by adding a subdivision.

The bill was read for the first time.

Sekhon moved that S. F. No. 1074 and H. F. No. 1285, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 403, A bill for an act relating to housing and hotels; amending reasons for innkeeper ejection and refusal to admit persons; establishing parent or guardian responsibility for guests who are minors; establishing liability for damage to hotel or personal property or injury to persons; increasing the penalty for setting fire to hotel belongings; requiring notice; amending Minnesota Statutes 1992, sections 327.70, subdivision 3; 327.73, subdivisions 1 and 2; and 327.74, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 327.

The bill was read for the first time.

Solberg moved that S. F. No. 403 and H. F. No. 511, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1437, A bill for an act relating to utilities; requiring cooperative electric associations and municipal utilities to comply with standards set by public utilities commission relating to electrical current or voltage; regulating public

utility commission procedures and filings; regulating affiliated interests of public utilities; providing for interim rates; providing that primary fuel source determines whether power generating plant is a large energy facility for purposes of certificate of need process; amending Minnesota Statutes 1992, sections 216B.09; 216B.16, subdivisions 1, 1a, 2, and 3; 216B.2421, subdivision 2, and by adding a subdivision; 216B.43; and 216B.48, subdivisions 1 and 4.

The bill was read for the first time.

Jacobs moved that S. F. No. 1437 and H. F. No. 1049, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 175, A bill for an act relating to crimes; creating a felony level offense for repeat fifth-degree assault offenders; amending Minnesota Statutes 1992, section 609.224, subdivision 2, and by adding a subdivision.

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

S. F. No. 470, A bill for an act relating to elections; changing the time and date of the precinct caucuses; amending Minnesota Statutes 1992, section 202A.14, subdivision 1.

The bill was read for the first time.

Sparby moved that S. F. No. 470 and H. F. No. 784, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1077, A bill for an act relating to human services; regulating child care programs; requiring an interpretive memoranda study; providing for a vulnerable adult study; amending Minnesota Statutes 1992, sections 245A.02, subdivisions 6a and 14; 245A.03, subdivision 2; 245A.04, subdivision 3; 245A.06, subdivision 2; 245A.09, subdivision 7; 245A.14, subdivision 6; and 245A.16, subdivision 6.

The bill was read for the first time.

Asch moved that S. F. No. 1077 and H. F. No. 1036, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

There being no objection, the order of business advanced to Motions and Resolutions for the purpose of introducing a House Resolution.

## MOTIONS AND RESOLUTIONS

Long and Jaros introduced:

House Resolution No. 7, A house resolution welcoming members of the Kyrgyzstan Supreme Soviet Leadership Delegation.

### SUSPENSION OF RULES

Jaros 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 welcoming members of the Kyrgyzstan Supreme Soviet Leadership Delegation.

*Whereas*, we are honored by the visit of members of the Kyrgyzstan Supreme Soviet Leadership Delegation to this Legislature on Friday, April 30, 1993; and

*Whereas*, we wish to welcome them to our state and to the House of Representatives and Senate of the State of Minnesota; and

*Whereas*, we are honored that they have selected Minnesota as a state legislature from which to obtain information on the roles and duties of a legislature and how it works; and

*Whereas*, the newly independent Republic of Kyrgyzstan has adopted a course of developing a democratic form of government and a democratic tradition with separation of powers, checks and balances, and government by the rule of law; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it hereby resolves to extend its warmest welcome to members of the Delegation, including Alibek Jekshenkulov, Kubanychbek Idinov, Mukar Cholponbayev, Omurbek Tekebayev, Sultanbek Tabaldiyev, Victor Grinko, and Ajarbubu Kalderbekova.

*Be It Further Resolved* that we wish the Delegates and their country peace, friendship, prosperity, health, and well-being.

*Be It Further Resolved* that we, as members of the legislature, provide the Delegates with information, ideas, and knowledge which may be useful to them in building a democracy.

Jaros moved that House Resolution No. 7 be now adopted. The motion prevailed and House Resolution No. 7 was adopted.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1178 and 272.

H. F. No. 1178 was reported to the House.

Greenfield moved to amend H. F. No. 1178, the third engrossment, as follows:

Page 44, line 6, delete "∴" and insert "6.48"

Page 44, line 9, delete "∴" and insert "5.26"

Page 44, line 12, delete "∴" and insert "4.29"

Page 44, line 15, delete "∴" and insert "3.39"

Page 44, line 18, delete "∴" and insert "2.62"

The motion prevailed and the amendment was adopted.

Workman was excused between the hours of 10:30 a.m. and 2:00 p.m.

Greenfield moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 105, line 14, strike "may elect to" and insert "shall"

Page 105, line 15, after the comma, insert "with respect to those employers in the association that employ no fewer than two nor more than 29 eligible employees."

Page 105, strike line 16 and insert "its members that do not qualify as small employers. An association in existence prior to July 1, 1993 is exempt from this chapter with respect to small employers that are members as of that date. However, in providing coverage to new groups after July 1, 1993, the existing association must comply with all requirements of chapter 62L. Existing associations must register with the commissioner of commerce prior to July 1, 1993."

Page 105, lines 17 to 23, delete the new language and strike the existing language

Page 105, line 24, delete everything before "If"

Page 106, line 24, delete everything after the period

Page 106, lines 25 to 36, delete the new language and strike the existing language and insert:

"(b) A small employer that contributes at least 50 percent toward the cost of the coverage of eligible employees must be guaranteed coverage from any health carrier participating in the small employer market.

"(c) If a small employer does not satisfy the contribution or participation requirements under this subdivision, a health carrier may voluntarily issue or renew individual coverage or a health benefit plan which, except for guaranteed issue, must fully comply with this chapter. A health carrier that provides group coverage to a small employer that does not meet the contribution or participation requirements of this subdivision must maintain this information in its files for audit by the commissioner."

Page 107, lines 1 to 15, delete the new language and strike the existing language

Page 113, after line 8, insert:

"Sec. 13. Minnesota Statutes 1992, section 62L.11, subdivision 1, is amended to read:

Subdivision 1. [DISCIPLINARY PROCEEDINGS.] The commissioner may, by order, suspend or revoke a health carrier's license or certificate of authority and impose a monetary penalty not to exceed \$25,000 for each violation of this chapter, ~~including~~. Violations include the failure to pay an assessment required by section 62L.22, and knowingly and willfully encouraging a small employer to not meet the contribution or participation requirements of section 62L.03, subdivision 3, in order to avoid the requirements of this chapter. The notice, hearing, and appeal procedures specified in section 60A.051 or 62D.16, as appropriate, apply to the order. The order is subject to judicial review as provided under chapter 14."

Page 113, line 13, delete "13" and insert "14"

Page 120, line 32, after "paragraph" insert "must be a qualified plan and"

Page 121, line 1, after the period, insert "In no event shall the premium rate exceed 90 percent of the premium charged for comparable individual coverage by the Minnesota comprehensive health association."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Bauerly to the Chair.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 112, after line 21, insert:

"Sec. 12. Minnesota Statutes 1992, section 62L.08, subdivision 8, is amended to read:

Subd. 8. [FILING REQUIREMENT.] No later than July 1, 1993, and each year thereafter, a health carrier that offers, sells, issues, or renews a health benefit plan for small employers shall file with the commissioner the index rates and must demonstrate that all rates shall be within the rating restrictions defined in this chapter. Such demonstration must include the allowable range of rates from the index rates and a description of how the health carrier intends to use demographic factors including case characteristics in calculating the premium rates. The rates shall not be approved, unless the commissioner has determined that the rates are reasonable. In determining reasonableness, the commissioner shall consider the growth rate established by the commissioner, actuarially valid changes in risk associated with the enrollee population, and actuarially valid changes as a result of statutory changes in Laws 1992, chapter 549. As provided in section 62A.65, subdivision 3, this subdivision applies to the individual market, as well as to the small employer market."

Page 113, line 13, delete "13" and insert "14"

Amend the title accordingly

Simoneau moved to amend the Cooper amendment to H. F. No. 1178, the third engrossment, as amended, as follows:

Page 1, after line 2 of the Cooper amendment, insert:

Page 59, after line 19, insert:

"Sec. 16. [62].47 [RATE STRUCTURE REASONABLENESS.]

No later than each September 1, each hospital shall file with the commissioner of health its proposed rates for the forthcoming calendar year and such other information as the commissioner may reasonably require, including information about projected utilization of services, contractually agreed upon discounts and other economic arrangements that affect the hospital's rate structure and actual prices for services, and the current and prior year's rates, revenues, and expenses. The rates and rate structure shall not be approved, unless the commissioner has determined that they are reasonable. In determining reasonableness, the commissioner shall assure that the hospital's total annual revenues do not exceed its prior year's revenues by more than the annual limit on the rate of growth in health care spending established under section 62J.04. The commissioner shall adjust the hospital's total annual revenue for demonstrated changes in case mix, taxes, and other governmental assessments, and legislative initiatives that materially affect the costs of the hospital."

Page 59, line 20, delete "16" and insert "17"

Page 59, line 26, delete "17" and insert "18"

Amend the title accordingly

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

The question recurred on the Cooper amendment to H. F. No. 1178, the third engrossment, as amended. The motion prevailed and the amendment was adopted.

Kelley, Clark, Greenfield, Cooper, McCollum and Leppik moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 9, line 15, delete "40" and insert "65"

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 147, after line 36, insert:

"Sec. 4. [STUDY OF SUPPLEMENTAL PHYSICIAN PAYMENTS.]

The Minnesota health care commission shall study methods of providing physicians practicing in areas of Minnesota classified by the federal secretary of health and human services as health professional shortage areas with a supplemental payment for each service provided. This payment must equal ten percent of the amount reimbursed per billing by a health carrier, as defined in section 62A.011, integrated service network, or government health care program. The commission shall determine the feasibility of obtaining the necessary federal waivers and approvals for supplemental payments for government health care programs, and shall examine potential funding sources for the supplemental payments, including but not limited to assessments on Minnesota health care providers and hospitals. The commission shall present recommendations, an implementation schedule, and draft legislation necessary to implement the recommendations to the legislature by February 15, 1994."

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 147, after line 36, insert:

"Sec. 4. [STUDY OF SUPPLEMENTAL PAYMENTS FOR HOSPITALS.]

The Minnesota health care commission shall study methods of providing hospitals in Minnesota that are classified as rural by the federal health care financing administration with a supplemental payment for each Medicare diagnosis related group billing. This supplemental payment must equal at least one-half the difference between the Medicare rural payment rate for the diagnosis related group and the average Medicare payment rate for Minnesota hospitals classified as urban by the health care financing administration for purposes of Medicare reimbursement. The commission shall determine the feasibility of obtaining the necessary federal waivers and approvals, and shall examine potential funding sources for the supplemental payments, including but not limited to assessments on Minnesota hospitals. The commission shall present recommendations, an implementation schedule, and draft legislation necessary to implement the recommendations to the legislature by February 15, 1994."

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 147, after line 36, insert:

"Sec. 4. Minnesota Statutes 1992, section 144.581, subdivision 2, is amended to read:

Subd. 2. [USE OF HOSPITAL FUNDS FOR CORPORATE PROJECTS.] In the event that the municipality, political subdivision, state agency, or other governmental entity provides direct financial subsidy to the hospital from tax revenue at the time an undertaking authorized under subdivision 1, clauses (a) through (g), is established or funded, the hospital may not contribute funds to the undertaking for more than three years and thereafter all funds must be repaid, with interest in no more than ten years."

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 110, line 15, delete the semicolon and insert "The health care services required to be covered under this clause must also be covered if rendered in a nonhospital environment, on the same basis as coverage provided for those same treatments or services if rendered in a hospital, provided, however that this sentence must not be interpreted as expanding the types or extent of services covered."

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 32, after line 35, insert:

"Subd. 3. [EXCLUSIVE CONTRACTING LIMITED.] No health carrier as defined in section 62A.011 or integrated service network shall restrict any accredited capitated provider or health care providing entity, in connection with the formation or operation of any integrated service network that uses accredited capitated providers on a capitated basis, including actions that would require the health care providing entity or accredited capitated provider to refuse to participate in a competing integrated service network."

The motion prevailed and the amendment was adopted.

Cooper moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 35, after line 24, insert:

"Sec. 32. [STUDY.]

The Minnesota health care commission shall study methods to encourage integrated service networks to contract with independent providers of infusion therapy, lithotripsy services, kidney dialysis, mobile x-ray services, and ambulatory surgery services when these providers can demonstrate that they provide cost-effective, quality care. The commission shall present recommendations to the legislature and the governor by February 1, 1994."

Renumber the sections in sequence

Correct internal references

The motion prevailed and the amendment was adopted.

Leppik moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 148, line 21, before "residents" insert "primary care"

Page 148, line 23, before "resident" insert "primary care"

The motion prevailed and the amendment was adopted.

Simoneau moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 23, delete lines 34 to 36

Page 24, delete lines 1 to 5 and insert:

"Subdivision 1. [EFFECTS ON ENROLLEES.] In the event of insolvency, the coverage obligations of an integrated service network shall be satisfied as follows:

(1) for integrated service networks operated directly or indirectly by a health carrier that is a health maintenance organization, coverage shall be provided by the comprehensive health association under section 62D.181;

(2) for integrated service networks operated directly or indirectly by all other health carriers, coverage shall be provided by the life and health insurance guaranty association under chapter 61B; and

(3) for all other integrated service networks, coverage shall be provided by the comprehensive health association under section 62D.181, provided, however, that association deficits generated by such coverage shall be financed by assessments levied under section 62E.11 against contributing members of the association which do not fall under clause (1) or (2)."

The motion prevailed and the amendment was adopted.

Abrams moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 10, line 4, delete "ten" and insert "five"

The motion prevailed and the amendment was adopted.

Asch moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 5, line 3, delete "requirements that will ensure that" and insert "provisions that require each integrated service network to cooperate with the commissioner in monitoring whether"

Page 5, line 4, delete "an" and insert "the"

Page 5, line 6, delete "does not"

Page 5, line 7, delete "exceed" and insert "exceeds" and after "62J.04" insert ", which is the network's voluntary growth target"

Page 5, line 9, delete "limits" and insert "targets"

Page 8, line 32, delete "nonprofit"

Page 9, line 1, delete "nonprofit"; after "chapter" insert "302A,"; and after the comma, insert "or 319A,"

Page 11, after line 25, insert:

"(g) Networks must provide, except as otherwise required by chapter 62L, at least the inpatient and outpatient mental health benefits required of health maintenance organizations by chapter 62D and rules adopted under that chapter."

Page 118, after line 7, insert:

"Sec. 3. [62A.022] [PERMITTED BENEFIT PACKAGES.]

No health carrier, as defined in section 62A.011, shall offer, sell, issue, or renew any health plan, as defined in section 62A.011, unless the health plan contains one of the five standardized benefit packages required under section 62N.085. The health plan may also include additional benefits, in the discretion of the health carrier."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Asch amendment and the roll was called. There were 54 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Holsten	Lieder	Ness	Pugh	Van Dellen
Asch	Dempsey	Hugoson	Limmer	Olson, E.	Rhodes	Vickerman
Bergson	Erhardt	Johnson, V.	Lindner	Olson, M.	Seagren	Waltman
Bertram	Girard	Kalis	Lynch	Onnen	Smith	Weaver
Bettermann	Goodno	Knickerbocker	McCollum	Opatz	Sparby	Wolf
Blatz	Gruenes	Koppendrayer	Milbert	Ozment	Stanius	Worke
Commers	Gutknecht	Krinkie	Molnau	Pauly	Sviggum	
Dauids	Haukoos	Leppik	Morrison	Pawlenty	Swenson	

Those who voted in the negative were:

Anderson, I.	Dauner	Jacobs	Lasley	Olson, K.	Rukavina	Vellenga
Anderson, R.	Dawkins	Jaros	Lourey	Orenstein	Sarna	Wejcman
Battaglia	Dorn	Jefferson	Luther	Orfield	Sekhon	Wenzel
Bauerly	Evans	Jennings	Mahon	Osthoff	Simoneau	Winter
Beard	Farrell	Johnson, A.	Mariani	Ostrom	Skoglund	Spk. Long
Brown, C.	Garcia	Johnson, R.	McGuire	Pelowski	Solberg	
Brown, K.	Greenfield	Kahn	Mosel	Perlt	Steensma	
Carlson	Greiling	Kelso	Munger	Peterson	Tomassoni	
Carruthers	Hasskamp	Kinkel	Murphy	Reding	Tompkins	
Clark	Hausman	Klinzing	Neary	Rest	Trimble	
Cooper	Huntley	Krueger	Nelson	Rodosovich	Tunheim	

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

Asch moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 38, line 9, delete "limits on" and insert "targets for"

Page 38, line 22, delete "and enforce"

Page 39, line 4, delete "ensure that" and insert "determine whether"

Page 39, line 8, delete "limits on" and insert "targets for"

Page 39, delete lines 29 to 36 and insert:

"Subd. 5. [MONITORING OF EXPENDITURES.] The commissioner of health shall monitor health carrier expenditures, using information submitted under subdivision 3, in order to determine whether health carriers meet the expenditure targets established under subdivision 2."

Page 40, delete lines 1 to 29

Page 40, line 30, delete "Subd. 8." and insert "Subd. 6."

Page 40, line 36, delete "LIMITS" and insert "TARGETS"

Page 41, line 5, delete "limits" and insert "targets"

Page 41, line 6, delete "limits" and insert "targets"

Page 41, line 7, delete "limits or" and insert "targets for"

Page 41, line 14, delete "limits" and insert "targets"

Page 41, lines 18 and 19, delete "ensure that" and insert "determine whether"

Page 41, line 19, delete "limits" and insert "targets"

Page 41, line 25, delete everything after the period

Page 41, delete lines 26 to 29

Page 41, line 30, delete "AND ENFORCEMENT"

Page 41, line 32, delete "shall" and insert "may"

Page 41, line 33, delete "shall" and insert "may"

Page 41, line 36, delete everything after the period

Page 42, delete lines 1 to 28

Renumber the sections in article 2 in sequence

Correct internal references

Pages 43 to 46, delete sections 2 and 3 and insert:

"Sec. 2. Minnesota Statutes 1992, section 62J.04, subdivision 1, is amended to read:

Subdivision 1. [~~COMPREHENSIVE BUDGET TARGETS FOR THE RATE OF GROWTH.~~] (a) The commissioner of health shall set an annual ~~limit on~~ targets for the rate of growth of public and private spending on health care services for Minnesota residents, as provided in paragraph (b). ~~The limit on targets for~~ growth must be set at ~~a level~~ levels the commissioner determines to be realistic and achievable but that will slow reduce the current rate of growth in health care spending by at least ten percent per year ~~using the spending growth rate for 1991 as a base year. This limit must be achievable through good faith, cooperative efforts of health care consumers, purchasers, and providers for the next five years. The targets must be achievable through good faith, cooperative efforts of health care consumers, purchasers, and providers. The commissioner shall set targets for growth based on available data on spending and growth trends, including data from group purchasers, national data on public and private sector health care spending and cost trends, and trend information from other states.~~

(b) The commissioner shall set the following annual targets for the rate of growth of public and private spending on health care services for Minnesota residents:

(1) for calendar year 1994, the target for growth must not exceed the change in the regional consumer price index for urban consumers plus 6.48 percentage points;

(2) for calendar year 1995, the target for growth must not exceed the change in the regional consumer price index for urban consumers plus 5.26 percentage points;

(3) for calendar year 1996, the target for growth must not exceed the change in the regional consumer price index for urban consumers plus 4.29 percentage points;

(4) for calendar year 1997, the target for growth must not exceed the change in the regional consumer price index for urban consumers plus 3.39 percentage points; and

(5) for calendar year 1998, the target for growth must not exceed the change in the regional consumer price index for urban consumers plus 2.62 percentage points.

If the health care financing administration forecast for the total growth in national health expenditures for a calendar year is lower than the rate of growth for the calendar year as specified in clauses (1) to (5), the commissioner shall adopt this forecast as the target for growth for that calendar year. The commissioner shall publish:

(1) the targets in the State Register by March 15 of the year immediately preceding the year in which the target will be effective except for the year 1993, in which the target shall be published by July 1, 1993;

(2) the quarterly change in the regional consumer price index for urban consumers; and

(3) the health care financing administration forecast for total growth in the national health care expenditures.

(c) The commissioner shall exempt health care provider spending related to compliance with the data collection requirements of this chapter from being counted toward the targets for growth, if these expenditures would not otherwise have been made in the course of providing patient care.

Sec. 3. Minnesota Statutes 1992, section 62J.04, is amended by adding a subdivision to read:

Subd. 1a. [MONITORING OF TARGETS FOR GROWTH.] The commissioner shall monitor the degree to which integrated service networks, and providers outside of the integrated service network system, achieve the targets for growth in spending and revenues, and shall make adjustments for changes in enrollment, benefits, severity, and risks."

Page 47, after line 7, insert:

"Subd. 2c. [ENCOUNTER LEVEL DATA.] The commissioner shall not collect encounter level data from individual health care providers until standardized forms and procedures are available"

Page 46, line 8, strike "limits" and insert "targets"

Page 47, delete lines 8 to 24 and insert:

"Sec. 5. Minnesota Statutes 1992, section 62J.09, is amended by adding a subdivision to read:

Subdivision 1a. [TECHNICAL ASSISTANCE.] Regional coordinating boards, in cooperation with the commissioner, shall provide technical assistance to parties interested in establishing or operating an integrated service network within the region. This assistance must complement assistance provided by the commissioner under section 62N.23."

Page 48, delete lines 15 to 36 and insert:

"Subd. 2. [INFORMATION CLEARINGHOUSE.] The commissioner of commerce shall establish an information clearinghouse within the department of commerce to facilitate the ability of consumers, employers, providers, health carriers, and others to obtain information on health care costs and quality in Minnesota. The commissioner of commerce shall make available through the clearinghouse information developed or collected by the department of health on practice parameters, outcomes data and research, the costs and quality of integrated service networks, reports or recommendations of the health planning advisory committee and other entities on technology assessments, worksite wellness and prevention programs, other wellness programs, consumer education, and other initiatives. The commissioner of health shall provide this information to the commissioner of commerce and assist the commissioner of commerce in establishing and administering the information clearinghouse. The clearinghouse shall, upon request, make available information submitted voluntarily by health plans, providers, employers, and others if the information clearly states that an entity other than the state submitted the information, identifies the entity, and states that distribution by the clearinghouse does not imply endorsement of the entity or the information by the commissioner of commerce or the state of Minnesota. The clearinghouse shall also refer requesters to sources of further information or assistance. The clearinghouse is subject to chapter 13."

Page 51, delete lines 29 to 36

Page 52, delete lines 1 to 12 and insert:

"Subd. 3. [WAIVER OF REQUIREMENTS.] The commissioner may waive data collection requirements for health care clinics with less than 50 physicians, rural hospitals, and community clinics, if the commissioner determines that sufficient information can be obtained from a sample of providers. If the commissioner makes this determination, the commissioner shall reimburse providers surveyed as part of the sample for all costs related to data collection."

Pages 53 to 58, delete section 14 and insert:

"Sec. 14. [62].45] [AUTHORITY; ITEMIZATION.]

A health care provider that is subject to the data collection requirements of this chapter may transfer additional expenses generated by compliance with these requirements on to contracts with third parties regulated under chapter 60A, 62A, 62C, 62D, 62H, or 64B, or to patients or consumers. The expense must not exceed the cost of compliance with the data collection requirements. Third party purchasers must pay the transferred expense in addition to any payments due under existing or future contracts with the health care provider. Nothing in this subdivision limits the ability of a health care provider to recover all or part of the costs of data collection by other methods, including increasing fees or charges. A health care provider may separately state the costs related to compliance with the data collection requirements of this chapter on bills provided to individual patients."

Page 59, after line 25, insert:

"In the next edition of Minnesota Statutes, the revisor of statutes shall change the terms "limits," "limits on," and similar terms, to "targets," "targets for," and similar terms, as appropriate, wherever they occur in chapter 62]."

Page 69, line 18, strike "limits on" and insert "targets for"

Page 69, line 20, strike "limits" and insert "targets"

Page 69, line 29, strike "limits" and insert "targets"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Asch amendment and the roll was called. There were 59 yeas and 66 nays as follows:

Those who voted in the affirmative were:

- |            |           |               |           |          |            |         |
|------------|-----------|---------------|-----------|----------|------------|---------|
| Abrams     | Dehler    | Holsten       | Limner    | Onnen    | Seagren    | Waltman |
| Asch       | Dempsey   | Hugoson       | Lindner   | Opatz    | Smith      | Weaver  |
| Bergson    | Erhardt   | Johnson, V.   | Lynch     | Osthoff  | Sparby     | Wenzel  |
| Bertram    | Frerichs  | Kalis         | Milbert   | Ozment   | Stanisus   | Wolf    |
| Bettermann | Girard    | Knickerbocker | Molnau    | Pauly    | Sviggum    | Worke   |
| Blatz      | Goodno    | Koppendrayar  | Morrison  | Pawlenty | Swenson    |         |
| Brown, C.  | Gruenes   | Krinkie       | Ness      | Pelowski | Tompkins   |         |
| Commers    | Gutknecht | Leppik        | Olson, E. | Pugh     | Van Dellen |         |
| Dauids     | Haukoos   | Lieder        | Olson, M. | Rhodes   | Vickerman  |         |

Those who voted in the negative were:

Anderson, I.	Dauner	Huntley	Klinzing	Munger	Rest	Trimble
Anderson, R.	Dawkins	Jacobs	Krueger	Murphy	Rodosovich	Tunheim
Battaglia	Dorn	Jaros	Lasley	Neary	Rukavina	Wagenius
Bauerly	Evans	Jefferson	Lourey	Nelson	Sarna	Wejcman
Beard	Farrell	Jennings	Luther	Olson, K.	Sekhon	Winter
Brown, K.	Garcia	Johnson, A.	Mahon	Orenstein	Simoneau	Spk. Long
Carlson	Greenfield	Johnson, R.	Mariani	Orfield	Skoglund	
Carruthers	Greiling	Kahn	McCollum	Ostrom	Solberg	
Clark	Hasskamp	Kelso	McGuire	Peterson	Steensma	
Cooper	Hausman	Kinkel	Mosel	Reding	Tomassori	

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

Dauids moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 8, delete lines 32 to 36

Page 9, delete lines 1 to 7, and insert:

"Subdivision 1. [AUTHORIZED ENTITIES.] Any partnership, limited liability company, business corporation, cooperative, fraternal benefit society or nonprofit corporation otherwise authorized to do business in this state may establish and operate an integrated service network if it complies with the applicable provisions of this chapter."

A roll call was requested and properly seconded.

The question was taken on the Davids amendment and the roll was called. There were 61 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Hugoson	Lieder	Neary	Pawlenty	Swenson
Asch	Erhardt	Johnson, R.	Limmer	Ness	Pelowski	Van Dellen
Bergson	Frerichs	Johnson, V.	Lindner	Olson, E.	Reding	Vickerman
Bertram	Girard	Kalis	Lynch	Olson, M.	Rhodes	Waltman
Bettermann	Goodno	Kinkel	McCollum	Onnen	Seagren	Weaver
Blatz	Gruenes	Knickerbocker	Milbert	Opatz	Simoneau	Wolf
Commers	Gutknecht	Koppendrayner	Molnau	Osthoff	Smith	Worke
Davids	Haukoos	Krinkie	Morrison	Ozment	Stanias	
Dehler	Holsten	Leppik	Mosel	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, I.	Cooper	Hausman	Krueger	Olson, K.	Sekhon	Welle
Anderson, R.	Dauner	Huntley	Lasley	Orenstein	Skoglund	Wenzel
Battaglia	Dawkins	Jacobs	Lourey	Orfield	Solberg	Winter
Bauerly	Dorn	Jaros	Luther	Ostrom	Steensma	Spk. Long
Beard	Evans	Jefferson	Mahon	Perit	Tomassori	
Brown, C.	Farrell	Jennings	Mariani	Peterson	Trimble	
Brown, K.	Garcia	Johnson, A.	McGuire	Pugh	Tunheim	
Carlson	Greenfield	Kahn	Munger	Rest	Vellenga	
Carruthers	Greiling	Kelso	Murphy	Rukavina	Wagenius	
Clark	Hasskamp	Klinzing	Nelson	Sarna	Wejcman	

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

Dorn, Trimble, Greenfield, Rodosovich, Morrison and Cooper moved to amend H.F. 1178, the third engrossment, as amended, as follows:

Page 162, after line 21, insert:

"Sec. 24. [NURSING PROPOSALS.]

The state university board shall develop proposals for masters degree level nurse practitioner programs to begin in the 1994-1995 academic year. The programs shall be designed to serve unmet primary care needs, including the needs of high risk populations, in rural and urban areas of the state. Proposals must avoid program duplication and may include joint programs between campuses and post-secondary systems, as well as distance learning technology. The board shall report its proposals to the education and health and human services committees by January 15, 1994.

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Dehler, Davids, Waltman, Bertram, Girard and Dempsey moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 167, lines 35 and 36, strike the old language and delete the new language

Page 168, lines 1 to 4, strike the old language and delete the new language

Page 168, line 5, delete the new language

Pages 169 and 170, delete section 8

Page 171, lines 33 to 36, strike the old language and delete the new language

Renumber the clauses in sequence

Page 176, line 19, delete "subdivision" and insert "subdivisions" and after "10" insert "and 14" and delete "is" and insert "are"

Page 176, after line 22, insert:

"Minnesota Statutes 1992, section 295.52, subdivisions 3 and 4, are repealed."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dehler et al amendment and the roll was called. There were 58 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Haukoos	Limmer	Olson, E.	Rodosovich	Waltman
Anderson, R.	Erhardt	Holsten	Lindner	Olson, M.	Seagren	Weaver
Asch	Evans	Hugoson	Lynch	Opatz	Smith	Welle
Bertram	Farrell	Johnson, R.	Milbert	Orenstein	Stanius	Worke
Bettermann	Frerichs	Johnson, V.	Molnau	Ozment	Sviggum	
Blatz	Girard	Klinzing	Morrison	Pauly	Swenson	
Commers	Goodno	Koppendrayner	Munger	Pawlenty	Tompkins	
Davids	Gruenes	Krinkie	Murphy	Pelowski	Van Dellen	
Dehler	Gutknecht	Lasley	Ness	Pugh	Vickerman	

Those who voted in the negative were:

Anderson, I.	Dauner	Jaros	Krueger	Mosel	Rest	Tomassoni
Battaglia	Dawkins	Jefferson	Leppik	Neary	Rhodes	Trimble
Beard	Dorn	Jennings	Lieder	Nelson	Rukavina	Tunheim
Bergson	Garcia	Johnson, A.	Lourey	Olson, K.	Sarna	Vellenga
Brown, C.	Greenfield	Kahn	Luther	Onnen	Sekhon	Wagenius
Carlson	Greiling	Kalis	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Hausman	Kelley	Mariani	Ostrom	Skoglund	Wenzel
Clark	Huntley	Kelso	McCollum	Peterson	Solberg	Winter
Cooper	Jacobs	Kinkel	McGuire	Reding	Steensma	Wolf

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

The Speaker resumed the Chair.

Gruenes moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 32, line 35, delete everything after "and" and insert "enrollees outside of an integrated service network"

Page 35, line 27, delete everything after "networks"

Page 36, delete lines 5 to 8

Pages 36 to 42, delete sections 1 to 7 (article 2)

Renumber the articles in sequence

Page 45, line 7, delete everything after "networks"

Page 45, line 8, delete everything before the period

Page 45, delete lines 28 to 36

Page 46, delete lines 1 to 3

Page 47, delete lines 10 to 18

Page 47, line 19, delete "(b)" and insert "Subd. 1a."

Page 63, delete lines 6 to 8

Renumber the clauses in subdivision 5 in sequence

Page 63, delete lines 19 to 24

Page 63, line 25, delete "7" and insert "6"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gruenes amendment and the roll was called. There were 59 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Haukoos	Krinkie	Olson, E.	Rhodes	Waltman
Asch	Dehler	Holsten	Leppik	Olson, M.	Seagren	Weaver
Bauerly	Dempsey	Hugoson	Limmer	Onnen	Smith	Wenzel
Bergson	Erhardt	Jennings	Lindner	Opatz	Stanius	Wolf
Bertram	Frerichs	Johnson, R.	Lynch	Osthoff	Sviggum	Worke
Bettermann	Girard	Johnson, V.	Milbert	Ozment	Swenson	
Blatz	Goodno	Kalis	Molnau	Pauly	Tompkins	
Brown, C.	Gruenes	Knickerbocker	Morrison	Pawlenty	Van Dellen	
Commers	Gutknecht	Koppendrayar	Ness	Pugh	Vickerman	

Those who voted in the negative were:

Anderson, I.	Dawkins	Jacobs	Lourey	Nelson	Sarna	Wagenius
Anderson, R.	Delmont	Jaros	Luther	Olson, K.	Sekhon	Wejcman
Battaglia	Dorn	Jefferson	Mahon	Orenstein	Simoneau	Welle
Beard	Evans	Johnson, A.	Mariani	Orfield	Skoglund	Winter
Brown, K.	Farrell	Kahn	McCollum	Ostrom	Solberg	Spk. Long
Carlson	Garcia	Kelso	McGuire	Perlt	Sparby	
Carruthers	Greenfield	Kinkel	Mosel	Peterson	Steensma	
Clark	Greiling	Klinzing	Munger	Reding	Tomassoni	
Cooper	Hausman	Krueger	Murphy	Rest	Trimble	
Dauner	Huntley	Lasley	Neary	Rukavina	Tunheim	

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

Sviggum moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 172, delete section 14

Page 176, after line 22, insert:

"Minnesota Statutes 1992, section 295.53, subdivision 3, is repealed."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 2, line 7, after the semicolon, insert "295.53, subdivision 3;"

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment and the roll was called. There were 61 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Limmer	Olson, E.	Pelowski	Van Dellen
Asch	Dempsey	Jennings	Lindner	Olson, M.	Peterson	Vickerman
Bergson	Frerichs	Johnson, R.	Lynch	Onnen	Pugh	Waltman
Bertram	Girard	Johnson, V.	Milbert	Opatz	Rhodes	Weaver
Bettermann	Goodno	Kalis	Molnau	Orenstein	Seagren	Wenzel
Blatz	Gutknecht	Knickerbocker	Morrison	Osthoff	Smith	Wolf
Commers	Hasskamp	Koppendrayner	Mosel	Ozment	Stanius	Worke
Dauner	Haukoos	Krinkie	Nelson	Pauly	Sviggum	
Davids	Holsten	Leppik	Ness	Pawlenty	Swenson	

Those who voted in the negative were:

Anderson, I.	Cooper	Huntley	Krueger	Murphy	Sekhon	Wagenius
Anderson, R.	Dawkins	Jacobs	Lasley	Neary	Simoneau	Wejzman
Battaglia	Delmont	Jaros	Lieder	Olson, K.	Skoglund	Weile
Bauerly	Dorn	Jefferson	Lourey	Orfield	Solberg	Winter
Beard	Evans	Johnson, A.	Luther	Ostrom	Sparby	Spk. Long
Brown, C.	Farrell	Kahn	Mahon	Perl	Steensma	
Brown, K.	Garcia	Kelley	Mariani	Reding	Tomassoni	
Carlson	Greenfield	Kelso	McCollum	Rest	Trimble	
Carruthers	Greiling	Kinkel	McGuire	Rodosovich	Tunheim	
Clark	Hausman	Klinzing	Munger	Rukavina	Vellenga	

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

Van Dellen move to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 123, after line 14, insert:

"Sec. 10. [MEDICAL CARE SAVINGS ACCOUNTS.]

(a) The department of health, in consultation with the departments of employee relations, commerce, and revenue and the Minnesota health care commission, shall conduct a study to determine the feasibility of establishing a medical and health care benefits plan to help provide incentives for persons in Minnesota whose employers pay all or part of the cost of medical and health care benefits for their employees to forego unnecessary medical treatment and to shop for the best value in cases where treatment is necessary. The study must address, at a minimum, the advantages and disadvantages of establishing a medical and health care benefits plan and may contain the components and criteria in paragraphs (b) to (f).

(b) Employers each year shall set aside in an account for each of their employees a substantial percentage of the amount that the employers currently or would otherwise spend for medical and health care benefits for each employee. The account is an allowance for medical and health care for the employee during that year.

(c) Employers shall use the remaining percentage amount to purchase or self fund major medical and health care benefits for all employees, which shall pay 100 percent of the cost of any portion of an employee's medical and health care that exceeds the amount in the employee's medical and health care account.

(d) Any amount in an employee's medical and health care account that is unspent belongs to the employee with no restrictions on the purposes for which it may be used.

(e) The amount in an employee's medical and health care account is not subject to state income taxation while it remains in the account. Any amount spent from the account on medical and health care is totally exempt from state income taxation. Any amount spent from the account for any purpose other than medical and health care is subject to state income taxation.

(f) Employers that provide medical and health care benefits to their employees in accordance with the plan shall receive state tax credits against their income for each year that the benefits are provided.

(g) The results of the study must be submitted to the legislature by January 15, 1994."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Van Dellen amendment and the roll was called. There were 49 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hasskamp	Krinkie	Ness	Seagren	Vickerman
Bergson	Dempsey	Haukoos	Leppik	Olson, M.	Smith	Waltman
Bertram	Erhardt	Holsten	Limmer	Ornen	Stanius	Weaver
Bettermann	Girard	Hugoson	Lindner	Opatz	Sviggum	Wenzel
Blatz	Goodno	Johnson, V.	Lynch	Pauly	Swenson	Winter
Commers	Gruenes	Knickerbocker	Molnau	Fawlenty	Tompkins	Wolf
Davids	Gutknecht	Koppendraye	Morrison	Rhodes	Van Dellen	Worke

Those who voted in the negative were:

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

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

Stanius moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 171, after line 9, insert:

"Sec. 13. Minnesota Statutes 1992, section 295.52, is amended by adding a subdivision to read:

Subd. 7. [REVENUES; PURPOSE.] Revenues collected under this section may be used only for premium subsidies and the administration of MinnesotaCare for MinnesotaCare enrollees."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Stanius amendment and the roll was called. There were 57 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Haukoos	Leppik	Onnen	Smith	Wenzel
Asch	Dempsey	Holsten	Limmer	Osthoff	Stanius	Wolf
Bergson	Erhardt	Hugoson	Lindner	Ozment	Sviggum	Worke
Bertram	Frerichs	Jennings	Molnau	Pauly	Swenson	
Bettermann	Girard	Johnson, R.	Morrison	Pawlenty	Tompkins	
Blatz	Goodno	Johnson, V.	Nelson	Perlt	Van Dellen	
Carruthers	Gruenes	Knickerbocker	Ness	Peterson	Vickerman	
Commers	Gutknecht	Koppendrayser	Olson, E.	Rhodes	Waltman	
Davids	Hasskamp	Krinkie	Olson, M.	Seagren	Weaver	

Those who voted in the negative were:

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

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

Lourey moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 120, line 9, delete "or" and reinstate the stricken ", or renewed"

Page 120, lines 12 to 15, delete the new language

Page 120, line 27, after the period, insert "A health carrier shall, at the time of first issuance or renewal of a health plan on or after July 1, 1993, credit against any preexisting condition limitation or exclusion permitted under this section, the time period prior to July 1, 1993, during which the person was covered by qualifying existing coverage or qualifying prior coverage, as defined in section 62L.02, if the person has maintained continuous coverage. A person who had a preexisting condition limitation or exclusion prior to July 1, 1993, may voluntarily agree to permit its continuation after that date, in order to obtain coverage at a lower premium."

A roll call was requested and properly seconded.

The question was taken on the Lourey amendment and the roll was called. There were 53 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Carruthers	Hausman	Lasley	Neary	Reding	Tunheim
Anderson, R.	Clark	Jacobs	Lourey	Nelson	Rest	Vellenga
Battaglia	Dawkins	Jaros	Luther	Olson, K.	Rukavina	Welle
Bauerly	Evans	Jefferson	Mahon	Orenstein	Sarna	Winter
Beard	Farrell	Johnson, A.	Mariani	Orfield	Sekhon	Spk. Long
Brown, C.	Garcia	Kahn	McGuire	Ozment	Skoglund	
Brown, K.	Greenfield	Kelso	Munger	Perlt	Sparby	
Carlson	Greiling	Knickerbocker	Murphy	Peterson	Trimble	

Those who voted in the negative were:

Abrams	Delmont	Holsten	Krinkie	Mosel	Pugh	Tompkins
Asch	Dempsey	Hugoson	Krueger	Ness	Rhodes	Van Dellen
Bergson	Dorn	Huntley	Leppik	Olson, E.	Rodosovich	Vickerman
Bertram	Erhardt	Jennings	Lieder	Olson, M.	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Limmer	Onnen	Simoneau	Weaver
Blatz	Girard	Johnson, V.	Lindner	Opatz	Smith	Wejzman
Commers	Goodno	Kalis	Lynch	Osthoff	Stanius	Wenzel
Cooper	Gruenes	Kelley	McCollum	Ostrom	Steensma	Wolf
Dauner	Gutknecht	Kinkel	Milbert	Pauly	Sviggum	Worke
Dauids	Hasskamp	Klinzing	Molnau	Pawlenty	Swenson	
Dehler	Haukoos	Koppendrayer	Morrison	Felowski	Tomassoni	

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

Jennings was excused between the hours of 1:50 p.m. and 3:00 p.m.

Leppik, Stanius, Cooper and Onnen moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 118, delete section 3

ReNUMBER the sections in sequence

Correct internal references

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

Leppik, Hasskamp, Simoneau, Gutknecht and Asch offered an amendment to H. F. No. 1178, the third engrossment, as amended.

#### POINT OF ORDER

Skoglund raised a point of order pursuant to rule 3.09 that the Leppik et al amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Winter moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 115, line 34, strike "one" and insert "two and one-half" and strike "point" and insert "points"

Page 116, line 1, delete "1999" and insert "1996"

Page 116, line 3, strike "one" and insert "two and one-half" and strike "point" and insert "points"

Page 116, line 4, delete "1999" and insert "1996"

The motion prevailed and the amendment was adopted.

Winter moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 115, line 16, strike "75" and insert "80"

Page 115, line 18, strike "65" and insert "75"

Page 115, line 36, strike "80" and insert "85"

Page 116, line 3, strike "70" and insert "80"

A roll call was requested and properly seconded.

The question was taken on the Winter amendment and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Clark	Jacobs	Klinzing	Munger	Pugh	Steensma
Anderson, R.	Dauner	Jaros	Lasley	Murphy	Reding	Tomassoni
Asch	Dawkins	Jefferson	Lieder	Neary	Rest	Trimble
Battaglia	Delmont	Johnson, A.	Lourey	Nelson	Rodosovich	Vellenga
Bauerly	Farrell	Johnson, R.	Luther	Olson, E.	Rukavina	Wagenius
Beard	Garcia	Kahn	Mahon	Olson, K.	Sarna	Wejzman
Brown, C.	Greenfield	Kalis	Mariani	Orenstein	Sekhon	Winter
Brown, K.	Greiling	Kelley	McCollum	Orfield	Skoglund	Spk. Long
Carlson	Hasskamp	Kelso	McGuire	Perlt	Solberg	
Carruthers	Hausman	Kinkel	Milbert	Peterson	Sparby	

Those who voted in the negative were:

Abrams	Dempsey	Holsten	Limmer	Opatz	Smith	Weaver
Bergson	Dorn	Hugoson	Lindner	Osthoff	Stanias	Welle
Bertram	Erhardt	Huntley	Lynch	Ostrom	Sviggum	Wenzel
Bettermann	Evans	Johnson, V.	Molnau	Ozment	Swenson	Wolf
Blatz	Frerichs	Knickerbocker	Morrison	Pauly	Tompkins	Worke
Commers	Girard	Koppendrayner	Mosel	Pawlenty	Tunheim	Workman
Cooper	Goodno	Krinkie	Ness	Pelowski	Van Dellen	
Dauids	Gruenes	Krueger	Olson, M.	Rhodes	Vickerman	
Dehler	Haukoos	Leppik	Onnen	Seagren	Waltman	

The motion prevailed and the amendment was adopted.

Leppik, Cooper and Onnen moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 172, line 28, after the period insert:

"Orthodontists are not subject to this restriction on itemization."

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

Onnen moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Delete articles 1, 2, and 3, and insert:

"Article 1

Cost Containment

Section 1. [62A.68] [LIMIT ON PREMIUM INCREASES.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "health carrier" has the definition provided in section 62A.011, subdivision 2, and "health plan" has the definition provided in section 62A.011, subdivision 3.

Subd. 2. [REQUIREMENT.] (a) Health carriers are prohibited from increasing average premium rates for each type of health plan sold by more than the rate of increase in the medical care component of the consumer price index for urban consumers for the previous calendar year, minus five percentage points. The average premium rate for a health plan must be calculated by dividing the total premium revenue from the health plan by the number of individuals covered under the health plan. If a health carrier has, as of the effective date of this section, a contract with a health care provider that requires that payments to the health care provider increase at a rate above the rate provided in this subdivision, the commissioner shall, upon request of the health carrier, permit a premium increase in excess of that otherwise permitted under this section, but only to the minimum extent necessary to reflect the contract and only for the term of the contract, not including any renewal.

(b) Each health carrier must submit to the commissioner of commerce or the commissioner of health, as appropriate, an actuarial opinion that the requirement in paragraph (a) has been met for each type of health plan sold. This opinion must be submitted by February 15, 1994, for health plans issued or renewed on or after July 1, 1993, and each February 15 thereafter for health plans issued or renewed during the previous calendar year.

(c) For purposes of enforcing this requirement for health maintenance organizations, the commissioner of health has all the enforcement authority granted under chapter 62D.

(d) This requirement is effective for health plans issued or renewed on or after July 1, 1993.

(e) A health carrier shall not use increased consumer cost sharing as a means of avoiding the effect of this section. If a health carrier desires to increase a deductible, coinsurance, or copayment, the commissioner shall require that the premium rate increase comply with this section when adjusted to eliminate the effect of the increased consumer cost sharing.

Sec. 2. [62A.69] [REQUIRED COST SHARING.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "health plan" has the definition provided in section 62A.011, subdivision 3.

Subd. 2. [REQUIREMENT.] Every health plan issued or renewed after January 1, 1994, must include deductible, coinsurance, or copayment requirements for enrollees and insureds. Deductible, coinsurance, and copayment requirements must apply to all health care services for which cost sharing is not prohibited by law. Deductibles and coinsurance requirements must be set at a level that does not prevent enrollees and insureds from seeking care that is medically necessary. For purposes of enforcing this requirement for health maintenance organizations, the commissioner of health has all the enforcement authority granted under chapter 62D. Health plans provided under a collective bargaining agreement in effect as of the effective date of this section shall comply as of the first day of a new or renewed agreement.

Sec. 3. [62A.70] [PRESCRIPTION DRUG PRICE NOTIFICATION.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "health carrier" has the definition provided in section 62A.011, subdivision 2, and "health plan" has the definition provided in section 62A.011, subdivision 3.

Subd. 2. [REQUIREMENT.] Beginning January 1, 1994, health carriers shall regularly provide all physicians participating as providers in a health plan with a list of the average cost to the health carrier of all prescription drugs covered by that health plan. For purposes of this requirement, "average cost to the health carrier" means: (1) the health carrier's average reimbursement level under the health plan for a prescription drug; or (2) the average cost to the health carrier of purchasing the prescription drug from a wholesale drug distributor, whichever is applicable. An updated price list must be provided to physicians at the start of each new health plan contract period.

Sec. 4. Minnesota Statutes 1992, section 256B.063, is amended to read:

256B.063 [COST SHARING.]

Subdivision 1. [FEES.] Notwithstanding the provisions of section 256B.05, subdivision 2, the commissioner is authorized to promulgate rules pursuant to the administrative procedure act, and to require a nominal enrollment fee, premium, or similar charge for recipients of medical assistance, if and to the extent required by applicable federal regulation.

Subd. 2. [COPAYMENTS.] The commissioner shall require a nominal copayment for a health care service provided to a medical assistance recipient. A copayment is required for the following medical assistance services in the amount of the maximum allowed under Code of Federal Regulations, title 42, section 447.54, for nonemergency services provided in an emergency room; eyeglasses; dentures; prescription drugs, except drugs prescribed for family planning purposes; chiropractic services; emergency and special transportation; physical therapy; occupational therapy; speech therapy; audiology; podiatry; dental exams; and psychotherapy. If the United States Department of Health and Human Services grants a waiver under Code of Federal Regulations, title 42, section 431.55(g), the commissioner may charge the maximum allowable copayment under that section for nonemergency services provided in an emergency room.

Subd. 3. [EXCEPTIONS.] The commissioner may not charge a copayment for services provided to children under 18 years of age; pregnant women through 60 days postpartum; persons residing in nursing facilities, intermediate care facilities for the mentally retarded, and medical institutions; individuals who are receiving hospice care; and individuals who are enrolled in health maintenance organizations.

Subd. 4. [COLLECTION.] The commissioner shall reduce medical assistance reimbursement to the provider in the amount of the copayment. The provider may collect the copayment from the recipient but may not deny medical assistance services to a recipient who is unable to pay the copayment.

Sec. 5. [COMMISSIONER OF COMMERCE STUDY.]

The commissioner of commerce shall determine and report to the legislature, no later than January 15, 1994, the effect of 1992 Laws, chapter 549, upon the level and distribution of premiums charged by health carriers for health plans in this state.

Sec. 6. [REPEALER.]

Minnesota Statutes, section 62J.04 is repealed."

Delete references to integrated service networks in other articles

Renumber remaining articles

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Onnen amendment and the roll was called. There were 50 yeas and 73 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Sviggum and Wenzel moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 12, line 11, after the period insert "The rules establishing standardized benefit plans may permit coverage of abortion services only to the extent allowed under the medical assistance program."

A roll call was requested and properly seconded.

The question was taken on the Sviggum and Wenzel amendment and the roll was called. There were 68 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Haukoos	Lieder	Olson, E.	Seagren	Vickerman
Anderson, R.	Dauner	Hugoson	Limmer	Olson, M.	Smith	Waltman
Battaglia	Davids	Jacobs	Lindner	Onnen	Sparby	Weaver
Bauerly	Dehler	Johnson, V.	Lynch	Opatz	Stanuis	Wenzel
Beard	Dempsey	Kalis	Milbert	Ozment	Steensma	Winter
Bertram	Girard	Kelso	Molnau	Pauly	Sviggum	Wolf
Bettermann	Goodno	Klinzing	Mosel	Pelowski	Swenson	Worke
Blatz	Gruenes	Koppendrayer	Murphy	Peterson	Tompkins	Workman
Brown, C.	Gutknecht	Krinkie	Nelson	Rodosovich	Tunheim	
Commers	Hasskamp	Krueger	Ness	Sarna	Van Dellen	

Those who voted in the negative were:

Abrams	Carruthers	Erhardt	Greenfield	Jaros	Kelley	Lourey
Asch	Clark	Evans	Greiling	Jefferson	Kinkel	Luther
Bergson	Dawkins	Farrell	Hausman	Johnson, A.	Knickerbocker	Mahon
Brown, K.	Delmont	Frerichs	Holsten	Johnson, R.	Lasley	Mariani
Carlson	Dorn	Garcia	Huntley	Kahn	Leppik	McCollum

McGuire	Olson, K.	Ostrom	Rest	Simoneau	Trimble	Welle
Morrison	Orenstein	Perlt	Rhodes	Skoglund	Vellenga	Spk. Long
Munger	Orfield	Pugh	Rukavina	Solberg	Wagenius	
Neary	Osthoff	Reding	Sekhon	Tomassoni	Wejcman	

The motion prevailed and the amendment was adopted.

Asch moved to amend H. F. No. 1178, the third engrossment, as amended, as follows:

Page 163, line 2, strike the old language and delete the new language and insert "American Medical Association, National Medical Association, a member board of the American Board of Medical Specialties, a board approved by the American Osteopathic Association, a college or board approved by the Royal College of Physicians and Surgeons of Canada, or a board approved by the American Dental Association."

Page 163, delete line 3

The motion prevailed and the amendment was adopted.

H. F. No. 1178, A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for classification of certain tax data; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.317, subdivision 5; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, subdivision 2, and by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding subdivisions; 62J.15, subdivision 1; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivision 2; 62L.02, subdivisions 16, 19, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 2, 3, 4, and 6; 62L.08, subdivisions 4 and 8; 62L.09, subdivision 1; 62L.11, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2, 4, and 5; 136A.1357; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.147, subdivision 4; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 144.581, subdivision 2; 151.47, subdivision 1; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9352, subdivision 3; 256.9353; 256.9354, subdivisions 1, 4, and 5; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3, and by adding a subdivision; 256B.04, subdivision 1; 256B.057, subdivisions 1, 2, and 2a; 256B.0625, subdivision 13; 256D.03, subdivision 3; 270B.01, subdivision 8; 295.50, subdivisions 3, 4, 7, 14, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivisions 1, 3, and by adding a subdivision; 295.54; 295.55, subdivision 4; 295.57; 295.58; 295.59; Laws 1990, chapter 591, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapters 16B; 43A; 62A; 62J; 136A; 144; 151; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.15, subdivision 2; 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Brown, C.	Dauner	Farrell	Hasskamp	Jennings	Kinkel
Anderson, R.	Brown, K.	Dawkins	Frerichs	Hausman	Johnson, A.	Klinzing
Battaglia	Carlson	Delmont	Garcia	Huntley	Johnson, R.	Krueger
Bauerly	Carruthers	Dempsey	Greenfield	Jacobs	Kahn	Lasley
Beard	Clark	Dorn	Greiling	Jaros	Kelley	Leppik
Blatz	Cooper	Evans	Gutknecht	Jefferson	Kelso	Lieder

Lourey	Mosel	Orenstein	Pugh	Sekhon	Tomassoni	Wenzel
Luther	Munger	Orfield	Reding	Simoneau	Trimble	Winter
Mahon	Murphy	Osthoff	Rest	Skoglund	Tunheim	Wolf
Mariani	Neary	Ostrom	Rhodes	Solberg	Vellenga	Spk. Long
McCollum	Nelson	Ozment	Rice	Sparby	Wagenius	
McGuire	Olson, E.	Perlt	Rukavina	Steensma	Wejzman	
Milbert	Olson, K.	Peterson	Sarna	Swenson	Welle	

Those who voted in the negative were:

Abrams	Dehler	Hugoson	Lindner	Onnen	Smith	Weaver
Asch	Erhardt	Johnson, V.	Lynch	Opatz	Stanisus	Worke
Bergson	Girard	Kalis	Macklin	Pauly	Sviggum	Workman
Bertram	Goodno	Kruckerbocker	Molnau	Pawlenty	Tompkins	
Bettermann	Gruenes	Koppendrayner	Morrison	Pelowski	Van Dellen	
Commers	Haukoos	Krinkie	Ness	Rodosovich	Vickerman	
Davids	Holsten	Limmer	Olson, M.	Seagren	Waltman	

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

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

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

Olson, E., was excused between the hours of 3:30 p.m. and 6:00 p.m.

Milbert was excused between the hours of 3:30 p.m. and 5:05 p.m.

H. F. No. 272 was reported to the House.

Evans and Perlt moved to amend H. F. No. 272, the third engrossment, as follows:

Page 2, line 24, before "all" insert "the two unclassified positions of director and deputy director and"

Page 4, line 11, delete "Four" and insert "Six"

Page 4, line 14, after the period insert "The person occupying the unclassified position of secretary to the director on April 21, 1993, may transfer to a classified position in the liquor control licensing activity with the department of commerce and may continue to occupy that position pursuant to the appropriate personnel code and employment laws. The eleven persons occupying on April 21, 1993, the remaining eleven classified positions to be transferred on July 1, 1993, may continue to occupy those positions with the department of commerce pursuant to the appropriate personnel code and employment laws."

A roll call was requested and properly seconded.

The question was taken on the Evans and Perlt amendment and the roll was called.

Pursuant to rule 2.05, Delmont requested that he be excused from voting on the Evans and Perlit amendment to H. F. No. 272, the third engrossment. The request was granted.

There were 79 yeas and 48 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion prevailed and the amendment was adopted.

Perlt moved to amend H. F. No. 272, the third engrossment, as amended, as follows:

Page 10, line 3, reinstate the stricken ", division of liquor control" and after "control" insert "of the department of commerce"

The motion prevailed and the amendment was adopted.

Holsten was excused for the remainder of today's session.

H. F. No. 272, the third engrossment, as amended, was read for the third time.

#### POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 5.10 relating to bills that affect state government powers and structure that H. F. No. 272, as amended, be re-referred to the Committee on Governmental Operations and Gambling. The Speaker ruled the point of order not well taken.

Vellenga was excused for the remainder of today's session.

H. F. No. 272, A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.46; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.09; 297C.10, subdivision 1; 299A.02; 299A.30; 299A.31, subdivision 1; 299A.331, subdivision 1; 299A.38, subdivision 1; 299C.01; 299C.03; 299C.06; 299C.13; 299C.50; 299F.01; 299F.05, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; and 299A.01; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7.

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.

Pursuant to rule 2.05, Delmont requested that he be excused from voting on the final passage of H. F. No. 272, the third engrossment, as amended. The request was granted.

There were 73 yeas and 51 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

## SPECIAL ORDERS

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

**GENERAL ORDERS**

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

**MOTIONS AND RESOLUTIONS**

Mosel moved that the name of Cooper be added as an author on H. F. No. 1060. The motion prevailed.

Greenfield moved that the name of Huntley be added as an author on H. F. No. 1178. The motion prevailed.

Rodosovich moved that H. F. No. 1283 be returned to its author. The motion prevailed.

Delmont moved that H. F. No. 1629 be returned to its author. The motion prevailed.

Mariani, Garcia, Dawkins, Beard and Haukoos introduced:

House Resolution No. 6, A house resolution commemorating the life and work of Cesar Chavez.

**SUSPENSION OF RULES**

Mariani moved that the rules be so far suspended that House Resolution No. 6 be now considered and be placed upon its adoption. The motion prevailed.

**HOUSE RESOLUTION NO. 6**

A house resolution commemorating the life and work of Cesar Chavez.

*Whereas*, Cesar Chavez, the son of Mexican immigrant farmers and agricultural migrant workers, was born on a farm near Yuma, Arizona, on March 31, 1927; and

*Whereas*, he spent his childhood living in a series of labor camps following the harvest crop, attending 30 elementary schools, and dropping out in the seventh grade; and

*Whereas*, Cesar Chavez served in the United States Navy during World War II; and

*Whereas*, as a migrant farm worker, he studied under Saul Alinsky and organized Mexican-Americans throughout the San Joaquin Valley in California to confront problems with voter registration, immigration authorities, and government bureaucracy; and

*Whereas*, in 1962, he founded the United Farm Workers Organizing Committee, the first successful collective bargaining effort on behalf of farm workers, employing innovative methods of protest, including sing-ins, bilingual theatrical troupes, and fasting; and

*Whereas*, in 1968, the United Farm Workers Organizing Committee conducted a nationwide boycott of table grapes which rallied support from national leaders such as Senator Robert F. Kennedy, Senator Hubert H. Humphrey, and the mayors of New York City, Boston, Detroit, and St. Louis, and resulted in the acceptance of the union by grape growers in 1970; and

*Whereas*, throughout his career as a labor organizer helping to lift Mexican-American migratory farm workers out of peonage, he dedicated himself to the principles of change through nonviolence as embodied by Gandhi and Dr. Martin Luther King; and

*Whereas*, Cesar Chavez died on April 23, 1993; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it holds in honor the memory of Cesar Chavez and extends condolences to his family and to his colleagues at the United Farm Workers of America.

*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 transmit it to the family of Cesar Chavez.

Mariani moved that House Resolution No. 6 be now adopted. The motion prevailed and House Resolution No. 6 was adopted.

#### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:30 a.m., Saturday, May 1, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:30 a.m., Saturday, May 1, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FORTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MAY 1, 1993

The House of Representatives convened at 9:30 a.m. and was called to order by Dee Long, Speaker of the House.

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

The roll was called and the following members were present:

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

A quorum was present.

Bishop, Jaros and Knickerbocker were excused.

Jefferson was excused until 10:00 a.m. Johnson, A., and Welle were excused until 10:30 a.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 190 and H. F. No. 18, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 190 be substituted for H. F. No. 18 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 403 and H. F. No. 511, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 403 be substituted for H. F. No. 511 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 470 and H. F. No. 784, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Sparby moved that the rules be so far suspended that S. F. No. 470 be substituted for H. F. No. 784 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 674 and H. F. No. 747, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 674 be substituted for H. F. No. 747 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 741 and H. F. No. 655, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 741 be substituted for H. F. No. 655 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1000 and H. F. No. 1137, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Knickerbocker moved that the rules be so far suspended that S. F. No. 1000 be substituted for H. F. No. 1137 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1036 and H. F. No. 1206, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Brown, C., moved that the rules be so far suspended that S. F. No. 1036 be substituted for H. F. No. 1206 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1074 and H. F. No. 1285, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Sekhon moved that the rules be so far suspended that S. F. No. 1074 be substituted for H. F. No. 1285 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1077 and H. F. No. 1036, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Asch moved that the rules be so far suspended that S. F. No. 1077 be substituted for H. F. No. 1036 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1097 and H. F. No. 1191, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 1097 be substituted for H. F. No. 1191 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1437 and H. F. No. 1049, 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. 1437 be substituted for H. F. No. 1049 and that the House File be indefinitely postponed. The motion prevailed.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 28, 1993

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

Dear Speaker Long:

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

H. F. No. 507, relating to patient and resident rights; providing patients and residents with the option to disclose their presence in a facility.

H. F. No. 1296, relating to Pine county; permitting the county board to extend certain temporary land use controls.

H. F. No. 520, relating to retirement; authorizing a second chance Medicare coverage referendum for certain public pension plan members.

H. F. No. 469, relating to drivers' licenses; providing that physical requirements to obtain school bus endorsement for driver's license are satisfied by possession of medical examiner's certificate required for commercial vehicle drivers.

H. F. No. 1089, relating to elections; setting the date by which Hennepin county park reserve district redistricting must take place.

H. F. No. 1074, relating to elections; requiring publication and posting of notice of filing dates by county auditors.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1993</i>	<i>Date Filed 1993</i>
	507	54	2:58 p.m. April 28	April 28
	1296	55	3:00 p.m. April 28	April 28
	520	56	3:02 p.m. April 28	April 28
	469	57	3:04 p.m. April 28	April 28
	1089	58	3:05 p.m. April 28	April 28
	1074	59	3:07 p.m. April 28	April 28

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

**SECOND READING OF SENATE BILLS**

S. F. Nos. 190, 403, 470, 674, 741, 1000, 1036, 1074, 1077, 1097 and 1437 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Olson, M.; Munger; Trimble; Stanius and Pauly introduced:

H. F. No. 1761, A bill for an act relating to the environment; requiring the return of used tires; providing for a surcharge; amending Minnesota Statutes 1992, sections 239.54; and 325E.32.

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

Abrams introduced:

H. F. No. 1762, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article V, sections 1, 3, and 4; article VIII, section 2; article XI, sections 7 and 8; that abolishes the office of state treasurer; transferring or repealing the powers, responsibilities, and duties of the state treasurer; amending Minnesota Statutes 1992, sections 3.971, subdivision 1; 3.973; 3C.12, subdivision 2; 4.06; 7.06; 7.09, subdivisions 1, 3, and 4; 7.10; 7.12, subdivision 1; 7.19; 7.193, subdivisions 1 and 2; 7.20; 7.21; 7.22; 8.02, subdivision 2; 8.05; 9.011, subdivision 1; 9.031, subdivisions 1, 2, 3, 6, 7, 8, 10, and 12; 10.24; 10.25; 10.26; 10.27; 10A.25, subdivision 2; 10A.27, subdivision 1; 10A.31, subdivisions 3a, 5, 6, 7, 8, 9, and 10; 10A.315; 10A.324, subdivisions 1 and 3; 10A.43, subdivision 1; 10A.49; 10A.50, subdivision 2; 11A.03; 11A.04; 11A.07, subdivision 4; 11A.10, subdivisions 1 and 4; 11A.15, subdivision 3; 12.24, subdivision 2; 15.16, subdivision 3; 15.73, subdivision 3; 16A.125, subdivisions 5 and 6; 16A.127, subdivisions 1 and 7; 16A.13, subdivisions 1 and 2a; 16A.131, subdivision 1; 16A.27, subdivisions 1, 2, and 5; 16A.45, subdivision 1; 16A.672, subdivision 11; 16B.05, subdivision 2; 32A.05, subdivision 4; 32A.09, subdivision 6; 35.08; 35.09, subdivision 3; 42.06, subdivision 4; 42.09, subdivision 3; 43A.08, subdivisions 1 and 1a; 43A.37, subdivision 1; 46.34; 48.67; 48.93, subdivision 1; 49.24, subdivisions 7, 13, and 16; 51A.51, subdivisions 1 and 2; 52.06, subdivision 1; 52.20, subdivision 5; 53.03, subdivisions 1 and 6; 56.02; 60A.15, subdivision 8; 60B.47, subdivisions 1 and 2; 60K.03, subdivisions 1, 5, and 6; 60K.13, subdivision 3; 69.54, subdivision 1; 69.55; 69.56; 72B.04, subdivision 10; 79.34, subdivision 1; 79A.04, subdivisions 5, 6, 7, and 10; 79A.071; 82.24, subdivision 8; 82.34, subdivisions 1 and 5; 84.153; 84.415, subdivision 5; 84A.04, subdivision 3; 84A.23, subdivisions 3 and 4; 84A.33, subdivisions 3 and 4; 85A.05, subdivision 4; 88.063, subdivision 3; 89.43; 90.173; 92.21, subdivision 1; 92.23; 92.24; 93.08, subdivision 2; 93.17; 93.19, subdivisions 1 and 2; 93.20, subdivisions 7, 19, and 31; 93.22; 93.283, subdivisions 5 and 6; 94.346, subdivision 2; 94.53; 97A.055, subdivision 2; 115A.54, subdivision 3; 115A.58, subdivisions 2 and 4; 116.16, subdivisions 4 and 8; 116.17, subdivisions 2 and 4; 116J.64, subdivisions 6, 7, and 10; 116R.11, subdivision 2; 117.135, subdivision 2; 124.12, subdivision 2; 124.42, subdivision 3; 124.46, subdivision 2; 124.62, subdivision 3; 125.08; 136.40, subdivision 3; 136C.41, subdivision 5; 136C.43, subdivisions 4 and 5; 141.25, subdivision 5; 141.26, subdivision 3; 144.09; 144.10; 156.02, subdivision 2; 156.072, subdivision 2; 161.05; 161.06, subdivision 1; 161.07; 161.36, subdivision 5; 162.16; 163.051, subdivision 2; 167.50, subdivision 2; 167.51, subdivision 2; 168.33, subdivision 2; 168.67; 174.50, subdivision 3; 174.51, subdivisions 2, 4, and 5; 176.129, subdivisions 1, 7, and 8; 176.181, subdivisions 2 and 5; 176.421, subdivision 4; 176.591, subdivisions 2 and 3; 190.11; 204D.10, subdivision 2; 209.01, subdivision 2; 222.025; 223.17, subdivision 4; 237.11; 241.08, subdivision 1; 241.09; 241.10; 241.13, subdivision 1; 241.27, subdivision 4; 246.15, subdivision 1; 246.16; 246.18, subdivision 1; 246.21; 256.89; 256.90; 256.92; 256B.041, subdivision 5; 260.311, subdivision 6; 268.05, subdivision 3; 268.15, subdivision 3; 270.74; 271.12; 272.68, subdivision 1; 273.02, subdivision 6; 276.11, subdivision 1; 282.19; 282.226; 284.28, subdivisions 8 and 9; 287.11; 290.431; 290.432; 293.06; 293.08; 293.09; 293.11; 296.06, subdivision 2; 296.421, subdivision 3; 298.39; 298.396; 299D.03, subdivision 5; 299F.17, subdivision 1; 299F.22; 299F.60, subdivision 4; 300.19; 302A.771; 303.07, subdivision 1; 303.16, subdivision 2; 303.19, subdivision 2; 303.25, subdivision 3; 317A.771; 322B.86; 325A.06, subdivision 3; 325G.415, subdivisions 1 and 2; 332.15, subdivision 4; 332.55; 340A.409, subdivision 1; 340A.904, subdivision 2; 352.05; 352B.01, subdivision 4; 352B.02, subdivisions 1b and 1d; 352B.03, subdivision 2; 352C.021, subdivision 2; 353.05; 353B.06, subdivision 1; 354.06, subdivision 3; 354.07, subdivision 4; 354.52, subdivisions 4 and 5; 355.04, subdivision 5; 357.021, subdivisions 1a, 2, and 2a; 357.022; 357.08; 424.165, subdivisions 1 and 2; 446A.16, subdivision 1; 458A.03, subdivision 3; 462A.18, subdivision 1; 475A.04, subdivision 1; 480.058, subdivision 2; 487.31, subdivision 1; 488A.14, subdivision 1; 488A.17, subdivision 2; 488A.34, subdivision 2; 490.102, subdivision 6; 490.123, subdivision 2; 508.75; 508.77; 508.82; 508A.22, subdivision 3; 508A.77; 508A.82; 517.08, subdivision 1c; 525.161; 525.841; 574.261; 626.85, subdivision 3; and 626.861, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 7.

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

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 1408, A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

The Senate has appointed as such committee:

Messrs. McGowan, Stevens and Bertram.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 1709, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; fixing and limiting accounts and fees; amending Minnesota Statutes 1992, sections 11A.21, subdivision 1; 161.081; 161.39, by adding a subdivision; 169.121, subdivision 7; 169.123, subdivision 5a; 171.02, subdivision 1; 171.06, subdivisions 2 and 4; 171.07, by adding a subdivision; 171.11; 171.22, subdivision 1; 174.02, by adding a subdivision; 296.02, subdivision 1a; 296.025, subdivision 1a; Laws 1992, chapter 513, article 3, section 77; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 171.20, subdivision 1; 296.01, subdivision 4; and 296.026.

The Senate has appointed as such committee:

Mr. Langseth; Ms. Hanson; Messrs. Vickerman and Dille; and Ms. Flynn.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 977, A bill for an act relating to retirement; Minneapolis employees retirement fund; permitting purchase of service credit by a certain member.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Milbert moved that the House concur in the Senate amendments to H. F. No. 977 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 977, A bill for an act relating to retirement; Minneapolis employees retirement fund; permitting purchase of service credit by a certain member.

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

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

Madam Speaker:

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

H. F. No. 522, A bill for an act relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Rukavina moved that the House concur in the Senate amendments to H. F. No. 522 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 522, A bill for an act relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

S. F. Nos. 1619 and 1046.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1619, A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; resort acquisition; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time.

Battaglia moved that S. F. No. 1619 and H. F. No. 575, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1046, A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; authorizing civil and equitable remedies; amending Minnesota Statutes 1992, section 488A.101; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time.

Orenstein moved that S. F. No. 1046 and H. F. No. 1220, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

**CONSIDERATION UNDER RULE 1.10**

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1094 and 980.

H. F. No. 1094 was reported to the House.

Jennings, Osthoff, Reding and Stanius moved to amend H. F. No. 1094, the third engrossment, as follows:

Page 7, line 9, after the period insert "An insurer shall not contact any covered person without first making a good faith effort to contact the group policyholder or contractholder by telephone or other appropriate means, if the cancellation is for nonpayment of premium."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bertram and Stanius moved to amend H. F. No. 1094, the third engrossment, as amended, as follows:

Page 56, line 1, after "sections" insert "70A.06, subdivision 5;"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1094, A bill for an act relating to insurance; regulating fees, data collection, coverages, notice provisions, enforcement provisions, the Minnesota joint underwriting association, and the liquor liability assigned risk plan; enacting the NAIC model regulation relating to reporting requirements for licensees seeking to do business with certain unauthorized multiple employer welfare arrangements; making various technical changes; appropriating money; amending Minnesota Statutes 1992, sections 13.71, by adding subdivisions; 45.024, subdivision 2; 59A.12, by adding a subdivision; 60A.02, by adding a subdivision; 60A.03, subdivisions 5 and 6; 60A.052, subdivision 2; 60A.082; 60A.085; 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.206, subdivision 3; 60A.21, subdivision 2; 60A.36, by adding a subdivision; 60C.22; 60K.06; 60K.14, subdivision 4; 60K.19, subdivision 5; 61A.02, subdivision 2; 61A.031; 61A.04; 61A.07; 61A.071; 61A.073; 61A.074, subdivision 1; 61A.08; 61A.09, subdivision 1; 61A.092, by adding a subdivision; 61A.12, subdivision 1; 61A.282, subdivision 2; 62A.047; 62A.148; 62A.153; 62A.43, subdivision 4; 62E.19, subdivision 1; 62H.01; 62I.02; 62I.03; 62I.07; 62I.13, subdivisions 1 and 2; 62I.20; 65A.01, subdivision 1; 65A.29, subdivision 7; 65B.49, subdivision 3; 72A.20, subdivision 29, and by adding a subdivision; 72A.201, subdivision 9; 72A.41, subdivision 1; 72B.03, subdivision 1; 72B.04, subdivision 2; 176.181, subdivision 2; and 340A.409, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 45; 61A; 62A; and 62H; repealing Minnesota Statutes 1992, sections 70A.06, subdivision 5; 72A.45; and 72B.07; Minnesota Rules, parts 2780.4800; 2783.0010; 2783.0020; 2783.0030; 2783.0040; 2783.0050; 2783.0060; 2783.0070; 2783.0080; 2783.0090; and 2783.0100.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Winter

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

H. F. No. 980, A bill for an act relating to local government; enabling local government units to obtain waivers of state rules; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; requiring the metropolitan council to review certain applications and plans; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83, and 465.87, subdivision 1; 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Sparby	Sviggum	Tompkins	Van Dellen	Wagenius	Wejcman	Wolf
Stanius	Swenson	Trimble	Vellenga	Waltman	Wenzel	Worke
Steensma	Tomassoni	Tunheim	Vickerman	Weaver	Winter	Workman
						Spk. Long

The bill was passed and its title agreed to.

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

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

H. F. No. 1402; S. F. No. 50; H. F. No. 1579; S. F. No. 485; and H. F. No. 1524.

#### SPECIAL ORDERS

H. F. No. 87 was reported to the House.

Gutknecht, Simoneau, Stanius and Perlt moved to amend H. F. No. 87, the second engrossment, as follows:

Page 1, after line 24, insert:

"Sec. 2. [237.75] [1-900 OR OTHER AUDIO TEXT SERVICE CHARGES.]

Unauthorized service charges made for 1-900 or other audio text services by a telephone company must be treated like debts under section 541.21, are void, and are not collectible by judicial procedure."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Bauerly to the Chair.

H. F. No. 87, A bill for an act relating to utilities; allowing provision of telephone caller identification service; providing that certain unauthorized service charges by a telephone company are void; proposing coding for new law in Minnesota Statutes, chapter 237.

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 118 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Beard	Carruthers	Davids	Erhardt	Goodno	Hasskamp
Anderson, R.	Bergson	Clark	Dehler	Evans	Greenfield	Haukoos
Asch	Bertram	Commers	Delmont	Frerichs	Greiling	Holsten
Battaglia	Brown, K.	Cooper	Dempsey	Garcia	Gruenes	Hugoson
Bauerly	Carlson	Dauner	Dorn	Girard	Gutknecht	Huntley

Jacobs	Krinkie	McCollum	Olson, K.	Perl	Skoglund	Vickerman
Jefferson	Krueger	McGuire	Olson, M.	Peterson	Smith	Wagenius
Jennings	Lasley	Milbert	Onnen	Reding	Solberg	Waltman
Johnson, A.	Leppik	Molnau	Opatz	Rest	Sparby	Weaver
Johnson, R.	Lieder	Morrison	Orenstein	Rhodes	Stanius	Welle
Johnson, V.	Limmer	Mosel	Orfield	Rice	Steensma	Wenzel
Kalis	Lindner	Munger	Osthoff	Rodosovich	Swenson	Winter
Kelley	Lourey	Murphy	Ostrom	Rukavina	Tomassoni	Wolf
Kelso	Luther	Nearly	Ozment	Sarna	Tompkins	Worke
Kinkel	Lynch	Nelson	Pauly	Seagren	Tunheim	Workman
Klinzing	Macklin	Ness	Pawlenty	Sekhon	Van Dellen	Spk. Long
Koppendrayner	Mahon	Olson, E.	Pelowski	Simoneau	Vellenga	

Those who voted in the negative were:

Abrams	Brown, C.	Farrell	Sviggum	Wejman
Bettermann	Dawkins	Mariani	Trimble	

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. No. 514.

H. F. No. 514 was reported to the House.

Sparby moved to amend H. F. No. 514, the second engrossment, as follows:

Page 12, delete lines 5 to 7 and insert:

"The amendment to Minnesota Statutes, section 115C.09, subdivision 3, paragraph (a) by this act is effective for corrective actions begun on or after September 1, 1993. The remainder of this act is effective August 1, 1993."

The motion prevailed and the amendment was adopted.

Sparby moved to amend H. F. No. 514, the second engrossment, as amended, as follows:

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 1992, section 115C.02, subdivision 14, is amended to read:

Subd. 14. [TANK.] "Tank" means any one or a combination of containers, vessels, and enclosures, including structures and appurtenances connected to them, that is, or has been, used to contain or dispense petroleum.

"Tank" does not include:

(1) a mobile storage tank with a capacity of 500 gallons or less used to transport petroleum ~~from one location to another~~ only on the person's private property and which is used only for home heating fuel; or

(2) pipeline facilities, including gathering lines, regulated under the Natural Gas Pipeline Safety Act of 1968, United States Code, title 49, chapter 24, or the Hazardous Liquid Pipeline Safety Act of 1979, United States Code, title 49, chapter 29."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Sparby and Trimble moved to amend H. F. No. 514, the second engrossment, as amended, as follows:

Page 11, after line 34, insert:

"Sec. 18. [PRIORITIES FOR CLEANUP; REPORT.]

The commissioner of the pollution control agency shall determine whether, and based on what criteria, a priority list should be established for the purposes of accomplishing more efficient cleanups of petroleum tank releases under Minnesota Statutes, chapter 115C. The commissioner shall consider the experience with the list of priorities established under Minnesota Statutes 1992, section 115B.17, subdivision 13, including the criteria for establishing that list in the statute and in rules adopted under the statute and any other criteria the commissioner determines appropriate, and whether a similar list of priorities is appropriate for petroleum tank cleanups. If the commissioner determines a priority list is appropriate, the commissioner, by January 15, 1994, shall recommend proposed legislation to the environment and natural resources committees of the legislature to govern establishment of the list and the criteria for establishing priorities for cleanup."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Rukavina and Sparby moved to amend H. F. No. 514, the second engrossment, as amended, as follows:

Page 1, line 6 of the first Sparby amendment, after the period insert: "Section 14 is effective for applications for reimbursement received by the petroleum tank release compensation board on and after July 1, 1993."

The motion prevailed and the amendment was adopted.

H. F. No. 514, A bill for an act relating to the environment; providing for passive bioremediation; providing for review of agency employee decisions; increasing membership of petroleum tank release compensation board; establishing a fee schedule of costs or criteria for evaluating reasonableness of costs submitted for reimbursement; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing board to delegate its reimbursement powers and duties to the commissioner of commerce; requiring reports; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 115C.02, subdivisions 10 and 14; 115C.03, by adding subdivisions; 115C.07, subdivisions 1, 2, and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, 3c, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12.

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

Those who voted in the negative were:

Perlt

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

### SPECIAL ORDERS, Continued

H. F. No. 874, A bill for an act relating to traffic regulations; authorizing cities of the second class to establish programs for citizen enforcement of laws governing parking spaces for persons with disabilities; amending Minnesota Statutes 1992, section 169.346, 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	Carruthers	Frerichs	Jacobs	Krueger	Milbert	Orenstein
Anderson, I.	Clark	Garcia	Jefferson	Lasley	Molnau	Orfield
Anderson, R.	Commers	Girard	Jennings	Leppik	Morrison	Osthoff
Asch	Cooper	Goodno	Johnson, A.	Lieder	Mosel	Ostrom
Battaglia	Dauner	Greenfield	Johnson, R.	Limmer	Munger	Ozment
Bauerly	Dauids	Greiling	Johnson, V.	Lindner	Murphy	Pauly
Beard	Dawkins	Gruenes	Kahn	Lourey	Nearly	Pawlenty
Bergson	Dehler	Gutknecht	Kalis	Luther	Nelson	Pelowski
Bertram	Delmont	Hasskamp	Kelley	Lynch	Ness	Perlt
Bettermann	Dempsey	Haukoos	Kelso	Macklin	Olson, E.	Peterson
Blatz	Dorn	Hausman	Kinkel	Mahon	Olson, K.	Pugh
Brown, C.	Erhardt	Holsten	Klinzing	Mariani	Olson, M.	Reding
Brown, K.	Evans	Hugoson	Koppendrayner	McCollum	Onnen	Rest
Carlson	Farrell	Huntley	Krinkie	McGuire	Opatz	Rhodes

Rice	Sekhon	Sparby	Tomassoni	Vellenga	Wejzman	Workman
Rodosovich	Simoneau	Stanis	Tompkins	Vickerman	Wenzel	Spk. Long
Rukavina	Skoglund	Steensma	Trimble	Wagenius	Winter	
Sarna	Smith	Sviggum	Tunheim	Waltman	Wolf	
Seagren	Solberg	Swenson	Van Dellen	Weaver	Worke	

The bill was passed and its title agreed to.

H. F. No. 1151 was reported to the House.

Dauner moved to amend H. F. No. 1151, the first engrossment, as follows:

Page 1, line 17, before "period" insert "pay"

Page 2, after line 7, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

The motion prevailed and the amendment was adopted.

H. F. No. 1151, A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

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

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

H. F. No. 608, A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

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

The bill was passed and its title agreed to.

H. F. No. 1435 was reported to the House.

Clark moved that H. F. No. 1435 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 697 was reported to the House.

Trimble moved that S. F. No. 697 be continued on Special Orders. The motion prevailed.

S. F. No. 848 was reported to the House.

Pauly moved that S. F. No. 848 be continued on Special Orders. The motion prevailed.

S. F. No. 1201 was reported to the House.

Asch moved to amend S. F. No. 1201, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 148.89, is amended by adding a subdivision to read:

Subd. 2a. [CLIENT.] "Client" means a person or entity that receives, received, or should have received services from a person regulated under sections 148.88 to 148.98. For the purposes of sections 148.88 to 148.98, "client" includes patient and resident.

Sec. 2. Minnesota Statutes 1992, section 148.905, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The board shall:

(1) adopt and enforce rules for licensing psychologists and for regulating their professional conduct. The rules must include, but are not limited to, standards for training, supervision, the practice of psychology, and any other areas covered by sections 148.88 to 148.98;

(2) adopt rules that provide for examinations and establish a code of professional ethics and requirements for continuing education;

(3) hold examinations at least once a year to assess applicants' knowledge and skills. The examinations may be written or oral or both, and may be administered by the board or by institutions or individuals designated by the board;

(4) issue licenses to individuals qualified under section 148.91, according to the procedures for licensing in Minnesota Rules;

(5) issue copies of the rules for licensing to all applicants;

(6) establish and maintain annually a register of current licenses;

(7) establish reasonable fees for the issuance and renewal of licenses and other services by the board. Fees must be set to defray the cost of administering the provisions of sections 148.88 to 148.98 including applications, examinations, enforcement, and the cost of maintaining the operations of the board;

(8) educate the public about the requirements for licensing of psychologists and about the code of professional ethics, to allow consumers to file complaints against licensees who may have violated licensing requirements or professional ethics; and

(9) establish or approve programs that qualify for professional psychology continuing educational credit. The board may hire consultants, agencies, or professional psychological associations to establish and approve continuing education courses; and

~~(10) establish and implement, by January 1, 1992, a process for certifying psychologists' competencies in specialty areas, including but not limited to the area of supervision. The process shall include steps to verify that a psychologist has had adequate education and experience in a specialty area to be considered competent to practice in that area. Recertification of competencies declared prior to August 1, 1991, shall not be required.~~

Sec. 3. Minnesota Statutes 1992, section 148.921, subdivision 2, is amended to read:

Subd. 2. [PERSONS PREVIOUSLY QUALIFIED.] (a) The board shall grant a license for a licensed psychologist ~~without further examination~~ to a person who:

(1) before November 1, 1991, entered a graduate program granting a master's degree with a major in psychology at an educational institution meeting the standards the board has established by rule and earned a master's degree or a master's equivalent in a doctoral program;

(2) before ~~November 1~~ December 31, 1992 1993, filed with the board a written declaration of intent to seek licensure under this subdivision;

(3) complied with all requirements of section 148.91, subdivisions 2 to 4, before December 31, 1997; and

(4) completed at least two full years or their equivalent of post-master's supervised psychological employment before December 31, 1998.

(b) Notwithstanding paragraph (a), the board shall not grant a license for a licensed psychologist under this subdivision to a person who files a written declaration of licensure after October 31, 1992, unless the applicant demonstrates that the applicant was a resident of Minnesota on October 31, 1992, and meets all other requirements for licensure under this subdivision.

Sec. 4. Minnesota Statutes 1992, section 148.921, subdivision 3, is amended to read:

Subd. 3. [RECIPROCITY.] The board may grant a license without an examination to a diplomate of the American Board of Professional Psychology or to any person who at the time of application is licensed or certified by a ~~similar~~ board of another state ~~whose standards, in the judgment of the board, are not lower than those required by and who~~ meets the licensure requirements under section 148.91. The board, at its discretion, may not require the skills assessment and the examination in psychology under section 148.91, subdivision 2, if the person was licensed in another state before the examination was required for licensure in that state. An applicant for reciprocity shall pass a written, objective examination on the rules of the board of psychology and sections 148.88 to 148.98.

Sec. 5. Minnesota Statutes 1992, section 148.925, subdivision 1, is amended to read:

Subdivision 1. [PERSONS QUALIFIED TO PROVIDE SUPERVISION.] (a) Only the following persons are qualified to provide supervision for master's degree level applicants for licensure as a licensed psychologist:

(1) a licensed psychologist with a competency in supervision in professional psychology and in the area of practice being supervised; and

(2) a person who either is eligible for licensure as a licensed psychologist under section 148.91 or is eligible for licensure by reciprocity, and who, in the judgment of the board, is competent or experienced in supervising professional psychology and in the area of practice being supervised.

(b) Professional supervision of a doctoral level applicant for licensure as a licensed psychologist must be provided by a person:

(1) who meets the requirements of paragraph (a), clause (1) or (2), and

(2)(i) who has a doctorate degree with a major in psychology, or

(ii) who was licensed by the board as a psychologist before August 1, 1991, and is certified by the board as competent in supervision of applicants for licensure ~~in accord with section 148.905, subdivision 1, clause (10), by August 1, 1993.~~

Sec. 6. [148.941] [DENIAL, REVOCATION, AND SUSPENSION OF LICENSES; DISCIPLINARY ACTION.]

Subdivision 1. [GENERALLY.] Except as otherwise described in this section, all hearings shall be conducted under chapter 14.

Subd. 2. [GROUNDS FOR DISCIPLINARY ACTION; FORMS OF DISCIPLINARY ACTION.] (a) The board may impose disciplinary action as described in paragraph (b) against an applicant or licensee whom the board, by a preponderance of the evidence, determines:

(1) has violated a statute, rule, or order that the board issued or is empowered to enforce;

(2) has engaged in fraudulent, deceptive, or dishonest conduct, whether or not the conduct relates to the practice of psychology, that adversely affects the person's ability or fitness to practice psychology;

(3) has engaged in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;

(4) has been convicted of or has pled guilty or nolo contendere to a felony or crime, an element of which is dishonesty or fraud, or has been shown to have engaged in acts or practices tending to show that the applicant or licensee is incompetent or engaged in conduct reflecting adversely on the applicant's or licensee's ability or fitness to engage in the practice of psychology;

(5) has employed fraud or deception in obtaining or renewing a license, or in passing the examination;

(6) has had a psychology license, certificate, right to examine, or other similar authority revoked, suspended, canceled, limited, or not renewed for cause in any state, commonwealth, or territory of the United States, the District

of Columbia, or any foreign country;

- (7) has failed to meet any requirement for the issuance or renewal of the person's license;
- (8) has failed to cooperate with an investigation of the board as required under subdivision 4; or
- (9) has violated the code of ethics adopted by the board.

For the purposes of clause (7), the burden of proof is on the applicant to demonstrate the qualifications or satisfy the requirements for a license under sections 148.88 to 148.98.

(b) If grounds for disciplinary action exist under paragraph (a), the board may take one or more of the following actions:

- (1) refuse to grant or renew a license;
- (2) revoke a license;
- (3) suspend a license;
- (4) impose limitations or conditions on a licensee's practice of psychology, including limiting the scope of practice to designated competencies, imposing retraining or rehabilitation requirements, requiring the licensee to practice under supervision, or conditioning continued practice on the demonstration of knowledge or skill by appropriate examination or other review of skill and competence;
- (5) censure or reprimand the licensee; or
- (6) refuse to permit an applicant to take the licensure examination or refuse to release an applicant's examination grade if the board finds that it is in the public interest.

(c) In lieu of or in addition to paragraph (b), the board may require, as a condition of continued licensure, termination of suspension, reinstatement of license, examination, or release of examination grades, that the applicant or licensee:

- (1) submit to a quality review, as specified by the board, of the applicant's or licensee's ability, skills, or quality of work; and
- (2) complete to the satisfaction of the board educational courses specified by the board.

(d) Service of the order is effective if the order is served on the applicant, licensee, or counsel of record personally or by mail to the most recent address provided to the board for the licensee, applicant, or counsel of record. The order shall state the reasons for the entry of the order.

Subd. 3. [TEMPORARY SUSPENSION OF LICENSE.] (a) In addition to any other remedy provided by law, the board may temporarily suspend the credentials of a licensee after conducting a preliminary inquiry to determine if the board reasonably believes that the licensee has violated a statute or rule that the board is empowered to enforce and continued practice by the licensee would create an imminent risk of harm to others.

(b) The order may prohibit the licensee from engaging in the practice of psychology in whole or in part and may condition the end of a suspension on the licensee's compliance with a statute, rule, or order that the board has issued or is empowered to enforce.

(c) The order shall give notice of the right to a hearing pursuant to this subdivision and shall state the reasons for the entry of the order.

(d) Service of the order is effective when the order is served on the licensee personally or by certified mail which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the board for the licensee.

(e) At the time the board issues a temporary suspension order, the board shall schedule a hearing to be held before its own members which shall begin no later than 60 days after issuance of the temporary suspension order or within 15 working days of the date of the board's receipt of a request for hearing by a licensee on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. This hearing is not subject to chapter 14. Evidence presented by the board or the licensee shall be in affidavit form only. The licensee or counsel of record may appear for oral argument.

(f) Within five working days of the hearing, the board shall issue its order and, if the suspension is continued, schedule a contested case hearing within 30 days of the issuance of the order. Notwithstanding chapter 14, the administrative law judge shall issue a report within 30 days after closing the contested case hearing record. The board shall issue a final order within 30 days of receipt of the administrative law judge's report.

Subd. 4. [COOPERATION OF APPLICANT OR LICENSEE FOR INVESTIGATIONS.] (a) An applicant or licensee of the board who is the subject of an investigation or who is questioned in connection with an investigation by or on behalf of the board shall cooperate fully with the investigation. Cooperation includes responding fully and promptly to any question raised by or on behalf of the board relating to the subject of the investigation, executing all releases requested by the board, providing copies of client records, as reasonably requested by the board to assist it in its investigation, and appearing at conferences or hearings scheduled by the board or its staff. The board shall pay reasonable costs for copies requested.

(b) If the board does not have a written consent from a client permitting access to the client's records, the licensee may delete any data in the record which identifies the client before providing it to the board. The board shall maintain any records obtained pursuant to this section as investigative data pursuant to chapter 13.

Sec. 7. Minnesota Statutes 1992, section 148.98, is amended to read:

148.98 [CODE OF ETHICS.]

The board shall adopt a code of ethics to govern ~~appropriate~~ an applicant's or licensee's practices or behavior, ~~as referred to in section 148.89.~~ The board shall publish the code in the State Register and file the code with the secretary of state at least 30 days prior to the effective date of the code. The code of ethics shall include, but is not limited to, the principles in paragraphs (a) to (c).

(a) The psychologist shall recognize the boundaries of the psychologist's competence and the limitation of the psychologist's techniques and shall not offer services or use techniques that fail to meet usual and customary professional standards.

(b) The psychologist who engages in practice shall assist clients in obtaining professional help for all important aspects of their problems that fall outside the boundaries of the psychologist's competence.

(c) A psychologist shall not claim either directly or by implication professional qualifications that differ from the psychologist's actual qualifications, nor shall the psychologist misrepresent the psychologist's affiliation with any institution, organization, or individual, nor lead others to assume an affiliation that does not exist.

Sec. 8. [NOTICE.]

Before September 1, 1993, the board shall notify all Minnesota educational institutions which grant a master's degree with a major in psychology, and all individuals it knows to have missed the November 1, 1992, deadline under section 148.921, subdivision 2, that the deadline for filing the declaration of intent to seek licensure is extended to December 31, 1993.

Sec. 9. [REPEALER.]

Minnesota Statutes 1992, section 148.95, is repealed.

Sec. 10. [EFFECTIVE DATE.]

Sections 3 and 8 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; amending Minnesota Statutes 1992, sections 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; and 148.98; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1992, section 148.95."

The motion prevailed and the amendment was adopted.

S. F. No. 1201, A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 103I.345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 103I.701; 103I.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 148.95; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 629 was reported to the House.

Johnson, R., moved that S. F. No. 629 be continued on Special Orders. The motion prevailed.

H. F. No. 574 was reported to the House.

Reding moved to amend H. F. No. 574, the first engrossment, as follows:

Page 99, after line 26, insert:

"ARTICLE 8

PERA DEFINED CONTRIBUTION PLAN MEMBERSHIP

Section 1. [PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN: ELECTION OF COVERAGE IN CERTAIN INSTANCES.]

(a) Notwithstanding any provision to the contrary in Minnesota Statutes, chapter 353 or 353D, a person described in paragraph (b) is eligible to elect contributions for prior service under paragraph (c) and coverage for future public employment under paragraph (d).

(b) A person eligible to make the elections provided for in this section is a person who:

(1) was born on March 3, 1939;

(2) was an elected official of Blackberry township during the period March 1972 through March 1990;

(3) became an employee of the city of Deer River in March 1987; and

(4) is a member of the coordinated program of the public employees retirement association under Minnesota Statutes, chapter 353, on the effective date of this section.

(c) An eligible person may elect to make member contributions for prior service as an elected official of Blackberry township to the public employees defined contribution plan under Minnesota Statutes, chapter 353D. The election must be made on a form prescribed by the executive director of the public employees retirement association. The election form must be accompanied with a lump sum payment of prior member contributions of \$1,937.93, plus interest on that amount at an annual compound rate of six percent from July 1, 1993, to the date payment is made, if payment is made after July 1, 1993. If the person pays the prior member contributions and if the subdivision agrees to make the employer contribution payment, the employing governmental subdivision for the March 1972, through March 1990, period shall pay, in a lump sum, \$2,447.69 plus interest on that amount at an annual compound rate of six percent from July 1, 1993, to the date payment is made, and shall make that payment within 60 days of the payment of the prior member contribution amount and receipt of a notice from the executive director of the public employees retirement association. If the employing governmental subdivision for the March 1972, through March 1990, period does not agree to make the employer contribution payment, the eligible person shall make the same contribution payment that the employing governmental subdivision would have made on the date of payment. The amounts under this paragraph must be deposited in the Minnesota supplemental investment fund to the credit of the person making the member contribution amount as provided in Minnesota Statutes, section 353D.05. Authority to make the prior service member contributions under this paragraph expires on July 1, 1994.

(d) An eligible person may elect to participate in the public employees defined contribution plan governed by Minnesota Statutes, chapter 353D, rather than the coordinated program of the public employees retirement association governed by Minnesota Statutes, chapter 353, for future service as an employee of the city of Deer River after June 30, 1993. The election under this paragraph must be made by July 1, 1993. No refund under Minnesota Statutes, section 353.34, is payable unless the person terminates public employment qualifying for coverage under Minnesota Statutes, chapter 353 or 353D.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

The motion prevailed and the amendment was adopted.

H. F. No. 574, A bill for an act relating to retirement; administrative changes, age discrimination act compliance, death-while-active surviving spouse benefit improvements by the Minnesota state retirement system, the public employees retirement association, and teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, and 7; 352.115, subdivision 8; 352.12, subdivisions 1, 2, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01, subdivisions 3 and 11; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1, 2, and 5; 352B.101; 352B.105; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding subdivisions; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.32, subdivision 1a; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1 and 5a; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivisions 1 and 2; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352D.05, subdivision 5; and 353.656, subdivision 6.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 913, A bill for an act relating to employment; modifying provisions relating to and renaming the Minnesota council for the blind and the consumer advisory council; establishing a rehabilitation advisory council for the blind; amending Minnesota Statutes 1992, sections 248.10; and 268A.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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1164, A bill for an act relating to water law; making miscellaneous technical corrections to water law; amending Minnesota Statutes 1992, sections 103F.215, subdivision 1; 103F.221, subdivision 1; 103G.005, subdivisions 14, 15, and 18; 103G.105; 103G.111, subdivision 1; 103G.121, subdivision 1; 103G.135; 103G.261; 103G.271, subdivision 2; 103G.275, subdivision 1; 103G.295, subdivision 4; 103G.315, subdivisions 12 and 15; and 103G.611, 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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Olson, E.

The bill was passed and its title agreed to.

H. F. No. 238, A bill for an act relating to towns; providing that metropolitan town elections may take place on the general election day; amending Minnesota Statutes 1992, sections 365.51, subdivision 1, and by adding a subdivision; and 365.59.

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

Those who voted in the negative were:

Kalis

The bill was passed and its title agreed to.

S. F. No. 561, A bill for an act relating to traffic regulations; directing commissioner of public safety to issue temporary permit immediately to applicant for special disabled license plates or parking certificate; providing penalty for unauthorized use of temporary permit; amending Minnesota Statutes 1992, sections 168.021, subdivisions 1, 1a, and 3; 169.345, subdivisions 3 and 4; and 169.346, subdivisions 1, 2, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Battaglia	Beard	Bertram	Blatz	Brown, K.
Anderson, I.	Asch	Bauerly	Bergson	Bettermann	Brown, C.	Carlson

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

The bill was passed and its title agreed to.

S. F. No. 384 was reported to the House.

Wejcman moved that S. F. No. 384 be continued on Special Orders. The motion prevailed.

S. F. No. 699, A bill for an act relating to health; utilization review of health care; providing for chiropractic review; amending Minnesota Statutes 1992, section 62M.09, 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 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Asch

The bill was passed and its title agreed to.

H. F. No. 623 was reported to the House.

Orfield moved that H. F. No. 623 be continued on Special Orders. The motion prevailed.

S. F. No. 236 was reported to the House.

Sekhon moved to amend S. F. No. 236, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [DOMESTIC ABUSE AND UNEMPLOYMENT COMPENSATION: POLICY.]

The commissioner of jobs and training shall develop a policy to address the issue of employees forced to leave employment due to domestic abuse as defined in Minnesota Statutes, section 518B.01, subdivision 2, paragraph (a). The commissioner shall ensure that the public and the commissioner of human services are fully involved in developing the policy. The commissioner shall report the policy to the legislature by January 15, 1994, along with any recommendations for legislation. The department shall report to the labor-management relations committee of the house of representatives and the jobs, energy and community development committee for the senate bimonthly on its progress in developing the policy and its experience in implementing the policy."

Delete the title and insert:

"A bill for an act relating to unemployment compensation; requiring the development of a policy and reports on the issue of employees forced to leave employment due to domestic abuse."

The motion prevailed and the amendment was adopted.

S. F. No. 236, A bill for an act relating to domestic abuse; requiring a report on victims of domestic abuse and eligibility for unemployment compensation benefits.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1602, A bill for an act relating to cemeteries; providing for burials in the winter season; prohibiting relocation of cemeteries without the trustees' or owners' consent; clarifying the eligibility for burial in a soldiers rest plot; amending Minnesota Statutes 1992, section 375.37; proposing coding for new law in Minnesota Statutes, chapters 306; and 307.

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 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Lourey            Murphy            Rukavina

The bill was passed and its title agreed to.

S. F. No. 754, A bill for an act relating to elections; requiring removal of registration cards of deceased registrants; requiring update of the statewide registration system; amending Minnesota Statutes 1992, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown, C.	Dempsey	Gruenes	Johnson, A.	Krueger	McCollum
Anderson, I.	Brown, K.	Dorn	Gutknecht	Johnson, R.	Lasley	McGuire
Anderson, R.	Carlson	Erhardt	Hasskamp	Johnson, V.	Leppik	Milbert
Asch	Carruthers	Evans	Haukoos	Kahn	Lieder	Molnau
Battaglia	Clark	Farrell	Hausman	Kalis	Limmer	Morrison
Bauerly	Commers	Frerichs	Holsten	Kelley	Lindner	Mosel
Beard	Cooper	Garcia	Hugoson	Kelso	Lourey	Munger
Bergson	Dauner	Girard	Huntley	Kinkel	Luther	Murphy
Bertram	Dauids	Goodno	Jacobs	Klinzing	Lynch	Neary
Bettermann	Dehler	Greenfield	Jefferson	Koppendrayer	Macklin	Nelson
Blatz	Delmont	Greiling	Jennings	Krinkie	Mahon	Ness

Olson, E.	Ostrom	Reding	Sekhon	Sviggum	Vickerman	Wolf
Olson, K.	Ozment	Rest	Simoneau	Swenson	Wagenius	Worke
Olson, M.	Pauly	Rhodes	Skoglund	Tomassoni	Waltman	Workman
Onnen	Pawlenty	Rice	Smith	Tompkins	Weaver	
Opatz	Pelowski	Rodosovich	Solberg	Trimble	Wejcman	
Orenstein	Perlt	Rukavina	Sparby	Tunheim	Welle	
Orfield	Peterson	Sarna	Stanius	Van Dellen	Wenzel	
Osthoff	Pugh	Seagren	Steenma	Vellenga	Winter	

The bill was passed and its title agreed to.

Welle was excused for the remainder of today's session.

S. F. No. 840, A bill for an act relating to mental health; authorizing interstate contracts between Wisconsin and Minnesota for the treatment of mentally ill persons who have been involuntarily committed; amending Minnesota Statutes 1992, section 245.50, subdivision 3, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1006, A bill for an act relating to veterans; authorizing the veterans homes board to define residency by board rule; amending Minnesota Statutes 1992, section 198.022.

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, R.	Battaglia	Beard	Bertram	Blatz	Brown, K.
Anderson, I.	Asch	Bauerly	Bergson	Bettermann	Brown, C.	Carlson

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

The bill was passed and its title agreed to.

H. F. No. 1058 was reported to the House.

Wejcman moved to amend H. F. No. 1058, the first engrossment, as follows:

Page 2, line 23, delete "OR NONPAYMENT"

The motion prevailed and the amendment was adopted.

H. F. No. 1058, A bill for an act relating to landlord and tenant; modifying action to recover leased premises; providing for actions for destruction of leased residential rental property; allowing expedited proceedings; amending Minnesota Statutes 1992, sections 504.02, subdivision 1; and 566.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504; and 566.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Weaver                      Wenzel                      Wolf                      Workman  
Wejzman                      Winter                      Worke                      Spk. Long

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

S. F. No. 240, A bill for an act relating to health; changing the membership requirements of the board of nursing; amending Minnesota Statutes 1992, section 148.181, 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	Dauids	Hausman	Lasley	Neary	Reding	Trimble
Anderson, I.	Dawkins	Holsten	Leppik	Nelson	Rest	Tunheim
Anderson, R.	Dehler	Hugoson	Lieder	Ness	Rhodes	Van Dellen
Asch	Delmont	Huntley	Limmer	Olson, E.	Rodosovich	Vellenga
Battaglia	Dempsey	Jacobs	Lindner	Olson, K.	Rukavina	Vickerman
Bauerly	Dorn	Jefferson	Lourey	Olson, M.	Sarna	Wagenius
Beard	Erhardt	Jennings	Luther	Onnen	Seagren	Waltman
Bergson	Evans	Johnson, A.	Lynch	Opatz	Sekhon	Weaver
Bertram	Farrell	Johnson, R.	Macklin	Orenstein	Simoneau	Wejzman
Bettermann	Frerichs	Johnson, V.	Mahon	Orfield	Skoglund	Wenzel
Blatz	Garcia	Kahn	Mariani	Osthoff	Smith	Winter
Brown, C.	Girard	Kalis	McCollum	Ostrom	Solberg	Wolf
Brown, K.	Goodno	Kelley	McGuire	Ozment	Sparby	Worke
Carlson	Greenfield	Kelso	Milbert	Pauly	Stanius	Workman
Carruthers	Greiling	Kinkel	Molnau	Pawlenty	Steensma	Spk. Long
Clark	Gruenes	Klinzing	Morrison	Pelowski	Sviggum	
Commers	Gutknecht	Koppentrayer	Mosel	Perlt	Swenson	
Cooper	Hasskamp	Krinkie	Munger	Peterson	Tomassoni	
Dauner	Haukoos	Krueger	Murphy	Pugh	Tompkins	

The bill was passed and its title agreed to.

S. F. No. 487 was reported to the House.

Milbert moved that S. F. No. 487 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 1466, A bill for an act relating to state lands; releasing certain reversionary interests of the state to independent school district No. 911, Cambridge; amending Laws 1963, chapter 350, section 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 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Blatz	Clark	Dawkins	Erhardt	Goodno
Anderson, I.	Beard	Brown, C.	Commers	Dehler	Evans	Greenfield
Anderson, R.	Bergson	Brown, K.	Cooper	Delmont	Farrell	Greiling
Asch	Bertram	Carlson	Dauner	Dempsey	Frerichs	Gruenes
Battaglia	Bettermann	Carruthers	Dauids	Dorn	Girard	Gutknecht

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

The bill was passed and its title agreed to.

H. F. No. 1402 was reported to the House.

Girard moved to amend H. F. No. 1402, the second engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1992, section 103E.701, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] The term "repair," as used in this section, means to restore all or a part of a drainage system as nearly as practicable to the same condition as originally constructed and subsequently improved, including resloping of ditches and leveling of waste banks if necessary to prevent further deterioration, realignment to original construction if necessary to restore the effectiveness of the drainage system, and routine operations that may be required to remove obstructions and maintain the efficiency of the drainage system. "Repair" also includes:

- (1) incidental straightening of a tile system resulting from the tile-laying technology used to replace tiles; and
- (2) replacement of tiles with the next larger size that is readily available, if the original size is not readily available."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1402, A bill for an act relating to natural resources; amending requirements relating to replacement of wetlands; modifying exemptions; amending Minnesota Statutes 1992, sections 103E.701, subdivision 1; 103G.222; 103G.2241; 103G.2242, subdivision 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 50, A bill for an act relating to traffic regulations; authorizing operation of recreational vehicle combinations with certain restrictions; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; and 169.81, 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 114 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Leppik	Nelson	Rhodes	Tunheim
Anderson, I.	Delmont	Huntley	Lieder	Ness	Rodosovich	Van Dellen
Anderson, R.	Dempsey	Jacobs	Limmer	Olson, K.	Rukavina	Vickerman
Battaglia	Dorn	Jefferson	Lindner	Olson, M.	Sarna	Waltman
Bauerly	Erhardt	Jennings	Lourey	Onnen	Seagren	Weaver
Beard	Evans	Johnson, A.	Luther	Opatz	Sekhon	Wejzman
Bertram	Farrell	Johnson, R.	Lynch	Orfield	Simoneau	Wenzel
Bettermann	Frerichs	Johnson, V.	Macklin	Ostrom	Smith	Winter
Blatz	Garcia	Kalis	Mahon	Ozment	Solberg	Wolf
Brown, C.	Girard	Kelley	Mariani	Pauly	Sparby	Worke
Brown, K.	Goodno	Kelso	McGuire	Pawlenty	Stanius	Workman
Carlson	Greenfield	Kinkel	Morrison	Pelowski	Steensma	Spk. Long
Commers	Gruenes	Klinzing	Morrison	Perit	Sviggum	
Cooper	Gutknecht	Koppendraye	Mosel	Peterson	Swenson	
Dauner	Hasskamp	Krinkie	Munger	Pugh	Tomassoni	
Dauids	Haukoos	Krueger	Murphy	Reding	Tompkins	
Dawkins	Holsten	Lasley	Neary	Rest	Trimble	

Those who voted in the negative were:

Asch	Carruthers	Greiling	Kahn	Milbert	Osthoff	Wagenius
Bergson	Clark	Hausman	McCollum	Orenstein	Vellenga	

The bill was passed and its title agreed to.

H. F. No. 1579 was reported to the House.

Rest moved that H. F. No. 1579 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 485 was reported to the House.

Rodosovich moved to amend S. F. No. 485, as follows:

Page 1, after line 8, insert:

"Sec. 2. [FARIBAULT FIRE CONSOLIDATION ACCOUNT; FULL POSTRETIREMENT ADJUSTMENT AUTHORIZED.]

Subdivision 1. [ENTITLEMENT.] (a) Notwithstanding any provision of Minnesota Statutes, section 353A.08, subdivision 1, to the contrary, the persons described in paragraphs (b) and (c) are entitled to the additional postretirement adjustment specified in subdivision 2.

(b) An eligible person is a person who:

(1) was employed as a firefighter by the city of Faribault in 1974;

(2) suffered a heart attack during January 1990;

(3) returned to fire department duties on a light-duty basis in May 1990;

(4) was terminated from Faribault fire department employment as a result of a permanent disability on November 30, 1990; and

(5) received a partial postretirement adjustment in the disability benefit amount from the public employees police and fire fund in January 1992.

(c) An eligible person is a person who:

(1) was employed as a firefighter by the city of Faribault;

(2) terminated active service with the Faribault fire department before January 1, 1991, before reaching the age at which a service pension under the Faribault fire department relief association benefit plan is first payable;

(3) was on deferred retiree status until March 17, 1991, when a service pension first became payable; and

(4) received a partial postretirement adjustment in the service pension amount from the public employees police and fire fund in January 1992.

Subd. 2. [ADDITIONAL POSTRETIREMENT ADJUSTMENT.] The additional postretirement adjustment payable to a person entitled under subdivision 1 is an amount equal to the difference between the percentage postretirement adjustment received by the person in January 1992, and the full percentage postretirement adjustment received by other Faribault fire consolidation account benefit recipients who elected coverage by the public employees police and fire fund benefit plan, applied to the December 1991 monthly benefit or pension amount of the person. The additional postretirement adjustment is payable under the same terms as the balance of the person's disability benefit or service pension and is the base for any postretirement adjustments after January 1992. The additional postretirement adjustment accrues retroactively to January 1, 1992, and back payments of unpaid adjustment amounts to January 1, 1992, must be paid as soon as practicable after the effective date of this section."

Page 1, line 10, delete "This act is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "officers" insert "; providing postretirement adjustments payable from the Faribault fire consolidation account"

The motion prevailed and the amendment was adopted.

S. F. No. 485, A bill for an act relating to the city of Faribault; providing for the civil service status of certain officers.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 487 which was temporarily laid over earlier today on Special Orders was again reported to the House.

S. F. No. 487, A bill for an act relating to natural resources; requiring that iron mines and production facilities be maintained in salable operating condition; proposing coding for new law in Minnesota Statutes, chapter 93.

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 11 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Blatz	Clark	Delmont	Farrell	Greenfield
Anderson, I.	Beard	Brown, C.	Cooper	Dempsey	Frerichs	Greiling
Anderson, R.	Bergson	Brown, K.	Dauner	Dorn	Garcia	Gruenes
Asch	Bertram	Carlson	Dawkins	Erhardt	Girard	Gutknecht
Battaglia	Bettermann	Carruthers	Dehler	Evans	Goodno	Hasskamp

Hausman	Kelley	Macklin	Ness	Pelowski	Sekhon	Tunheim
Holsten	Kelso	Mahon	Olson, E.	Perlt	Simoneau	Vellenga
Hugoson	Kinkel	Mariani	Olson, K.	Peterson	Skoglund	Vickerman
Huntley	Klinzing	McCollum	Olson, M.	Pugh	Smith	Wagerius
Jacobs	Koppendrayer	McGuire	Ornen	Reding	Solberg	Waltman
Jefferson	Krueger	Milbert	Opatz	Rest	Sparby	Weaver
Jennings	Lasley	Morrison	Orenstein	Rhodes	Stanuis	Wejzman
Johnson, A.	Lieder	Mosel	Orfield	Rice	Steensma	Wenzel
Johnson, R.	Limmer	Munger	Osthoff	Rodosovich	Swenson	Winter
Johnson, V.	Lourey	Murphy	Ostrom	Rukavina	Tomassoni	Wolf
Kahn	Luther	Neary	Ozment	Sarna	Tompkins	Worke
Kalis	Lynch	Nelson	Pauly	Seagren	Trimble	Spk. Long

Those who voted in the negative were:

Commers	Haukoos	Leppik	Molnau	Sviggum	Workman
Davids	Krinkle	Lindner	Pawlenty	Van Dellen	

The bill was passed and its title agreed to.

H. F. No. 1524 was reported to the House.

Dehler moved to amend H. F. No. 1524, the first engrossment, as follows:

Pages 3 and 4, delete section 5

Page 7, after line 18, insert:

"Sec. 8. [CERTAIN LEASE PURCHASE PROPERTY.]

Notwithstanding any other law to the contrary, real property acquired by a city under a lease purchase agreement is exempt from ad valorem taxation if the following conditions are met:

(1) the city's population is less than 1,000;

(2) title to the property is held by the city;

(3) the term of the lease is more than 15 years;

(4) the city has exclusive right to purchase the property; and

(5) the leased property is attached to improvements owned in fee simple by the city.

This exemption applies as long as and to the extent that the property is used by the city and devoted to a public use and to the extent it is not subleased to any private individual, association, or corporation in connection with a business operated for profit."

Renumber the remaining sections

Page 7, line 22, after "to" insert "7 and"

Page 7, line 23, delete everything after "enactment"

Page 7, delete lines 24 and 25 and insert "Section 8 is effective for the 1993 assessment, taxes payable in 1994 and thereafter."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1524, A bill for an act relating to taxation; providing conditions and requirements for the issuance of public debt and for the financial obligations of authorities; providing an exemption from the mortgage registration tax; providing an exemption from an ad valorem taxation for certain lease purchase property; providing a property tax exemption for certain property devoted to public use; amending Minnesota Statutes 1992, sections 80A.12, by adding a subdivision; 275.065, subdivision 7; 287.04; 447.45, subdivision 2; 475.67, subdivisions 3 and 13; and 501B.25; repealing Minnesota Rules, part 2875.3532.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Neary was excused for the remainder of today's session.

H. F. No. 1579 which was temporarily laid over earlier today on Special Orders was again reported to the House.

Gruenes, Bauerly and Opatz moved to amend H. F. No. 1579, the first engrossment, as follows:

Page 3, after line 18, insert:

"Sec. 4. Minnesota Statutes 1992, section 474A.03, subdivision 2a, is amended to read:

Subd. 2a. [ENTITLEMENT ISSUER ALLOCATION.] (a) The commissioner shall make the following allocation to the Minnesota housing finance agency and the following cities and county:

(1) \$51,000,000 per year to the Minnesota housing finance agency, less any amount received in the previous year under section 474A.091, subdivision 6;

(2) \$20,000,000 per year to the city of Minneapolis;

(3) \$15,000,000 per year to the city of Saint Paul; and

(4) \$10,000,000 per year to the Dakota county housing and redevelopment authority for the county of Dakota and all political subdivisions located within the county; and

(5) \$7,000,000 per year to the city of Saint Cloud.

(b) Allocations provided under this subdivision must be used for mortgage bonds, mortgage credit certificates, or residential rental project bonds, except that entitlement cities may also use their allocations for public facility bonds."

Page 10, line 18, delete "3, 5, and 7" and insert "4, 6, and 8"

Page 10, line 19, delete "5" and insert "6"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

H. F. No. 1579, A bill for an act relating to public finance; changing procedures for allocating tax credits; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 462A.221, by adding subdivisions; 462A.222, subdivision 3; 474A.047, subdivision 1; and 474A.061, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

There being no objection, S. F. No. 848 which was continued earlier today on Special Orders was again reported to the House.

Pauly moved to amend S. F. No. 848, as follows:

Page 10, line 33, after "REMOVAL" insert "; OIL AND GAS POOLING"

Page 12, after line 31, insert:

"Sec. 4. [93.515] [OIL AND GAS WELLS; RULES RELATING TO SPACING, POOLING, AND UNITIZATION.]

The commissioner of natural resources may adopt rules under chapter 14 relating to:

(1) spacing of oil and gas wells to regulate the density of drilling to prevent unnecessary draining of the reservoir and to prevent economic waste of products from wells;

(2) pooling, which is the combining of tracts and mineral interests to form a drilling or spacing unit; and

(3) unitization, which is the acquisition of the legal right to operate a whole reservoir as though all tracts overlying the reservoir were under a single lease."

Amend the title as follows:

Page 1, line 4, after the second semicolon insert "oil and gas well spacing, pooling, and unitization;"

Page 1, line 9, before the period insert "; proposing coding for new law in Minnesota Statutes, chapter 93"

The motion prevailed and the amendment was adopted.

Simoneau was excused for the remainder of today's session.

S. F. No. 848, A bill for an act relating to natural resources; mineral leasing; environmental research and protection; exploratory mineral borings and data; lean ore stockpile removal; amending Minnesota Statutes 1992, sections 92.50, subdivision 1; 93.001; 93.002, subdivisions 1 and 3; 93.25; 93.46, by adding a subdivision; 93.481, subdivisions 1 and 2; 103I.113; 103I.601, subdivision 1; 103I.605, subdivision 4; and 282.04, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Frerichs	Huntley	Koppendrayner	Mariani	Olson, M.
Anderson, I.	Commers	Garcia	Jacobs	Krinkie	McCollum	Onnen
Anderson, R.	Cooper	Girard	Jefferson	Krueger	McGuire	Opatz
Asch	Dauner	Goodno	Jennings	Lasley	Milbert	Orenstein
Battaglia	Davids	Greenfield	Johnson, A.	Leppik	Molnau	Orfield
Bauerly	Dawkins	Greiling	Johnson, R.	Lieder	Morrison	Osthoff
Beard	Dehler	Gruenes	Johnson, V.	Linmer	Mosel	Ostrom
Bergson	Delmont	Gutknecht	Kahn	Lindner	Munger	Ozment
Bertram	Dempsey	Hasskamp	Kalis	Lourey	Murphy	Pauly
Bettermann	Dorn	Haukoos	Kelley	Luther	Nelson	Pawlentz
Blatz	Erhardt	Hausman	Kelso	Lynch	Ness	Pelowski
Brown, K.	Evans	Holsten	Kinkel	Macklin	Olson, E.	Perit
Carlson	Farrell	Hugoson	Klinzing	Mahon	Olson, K.	Peterson

Pugh	Rukavina	Solberg	Swenson	Vellenga	Wejcman	Workman
Reding	Sarna	Sparby	Tomassoni	Vickerman	Wenzel	Spk. Long
Rest	Seagren	Stanius	Trimble	Wagenius	Winter	
Rhodes	Sekhon	Steensma	Tunheim	Waltman	Wolf	
Rodosovich	Skoglund	Sviggum	Van Dellen	Weaver	Worke	

Those who voted in the negative were:

Brown, C.	Clark	Smith
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The bill was passed, as amended, and its title agreed to.

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

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

H. F. Nos. 931, 1060, 373, 978 and 988; S. F. No. 1105; and H. F. Nos. 735, 1107, 962, 543, 1081, 818, 1575, 192, 973, 1286, 1317, 1499 and 1138.

#### SPECIAL ORDERS, Continued

H. F. No. 931, A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, 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 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Krinkie	Osthoff
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The bill was passed and its title agreed to.

H. F. No. 1060, A bill for an act relating to agriculture; making technical changes in eligibility for certain rural finance authority loan programs; authorizing an ethanol development program; appropriating money; amending Minnesota Statutes 1992, sections 41B.02, subdivisions 7, 12, 14, 15, and by adding subdivisions; 41B.03, subdivision 3; 41B.04, subdivision 9, and by adding a subdivision; and 41C.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 41B.

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

The bill was passed and its title agreed to.

H. F. No. 373 was reported to the House.

Murphy moved that H. F. No. 373 be continued on Special Orders. The motion prevailed.

H. F. No. 978, A bill for an act relating to motor carriers; defining exempt carriers to include certain tow trucks; amending Minnesota Statutes 1992, sections 169.01, subdivision 52; and 221.025.

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

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

The bill was passed and its title agreed to.

H. F. No. 988 was reported to the House.

Tunheim and Johnson, V., moved to amend H. F. No. 988, the first engrossment, as follows:

Page 1, line 15, after "Marshall," insert "Lake of the Woods,"

The motion prevailed and the amendment was adopted.

H. F. No. 988, A bill for an act relating to game and fish; allowing the taking of two deer in designated counties; amending Minnesota Statutes 1992, section 97B.301, subdivisions 2, 4, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Osthoff

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

S. F. No. 1105 was reported to the House.

Anderson, I., moved that S. F. No. 1105 be continued on Special Orders. The motion prevailed.

H. F. No. 735 was reported to the House.

Johnson, V., moved to amend H. F. No. 735, the first engrossment, as follows:

Page 3, line 14, after "self-propelled" insert "or towed"

Page 14, after line 25, insert:

"(c) This subdivision does not apply to towed implements of husbandry."

The motion prevailed and the amendment was adopted.

Johnson, V., moved to amend H. F. No. 735, the first engrossment, as amended, as follows:

Page 9, after line 36, insert:

"Sec. 13. Minnesota Statutes 1992, section 169.781, subdivision 3, is amended to read:

Subd. 3. [WHO MAY INSPECT.] (a) An inspection required by this section may be performed only by:

(1) an employee of the department of public safety or transportation who has been certified by the commissioner after having received training provided by the state patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the state patrol or other training approved by the commissioner.

(b) A person who is not an employee of the department of public safety or transportation may be certified by the commissioner if the person is: (1) an owner, or employee of the owner, of one or more commercial motor vehicles that are power units; (2) a dealer licensed under section 168.27 and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer; or (3) engaged primarily in the business of repairing and servicing commercial motor vehicles. Certification of persons described in clauses (1) to (3) is effective for two years from the date of certification. The commissioner may require biennial retraining of persons holding a certificate under this paragraph as a condition of renewal of the certificate. The commissioner may charge a fee of not more than \$10 for each certificate issued and renewed. A certified person described in clauses (1) to (3) may charge a fee of not more than \$50 for each inspection of a vehicle not owned by the person or the person's employer.

(c) Except as otherwise provided in subdivision 5, the standards adopted by the commissioner for commercial motor vehicle inspections under sections 169.781 to 169.783 shall be the standards prescribed in Code of Federal Regulations, title 49, section 396.17, and in chapter III, subchapter B, appendix G. The commissioner may classify types of vehicles for inspection purposes and may issue separate classes of inspector certificates for each class.

The commissioner shall issue separate categories of inspector certificates based on the following classifications:

(1) a class of certificate that authorizes the certificate holder to inspect commercial motor vehicles without regard to ownership or lease; and

(2) a class of certificate that authorizes the certificate holder to inspect only commercial motor vehicles the certificate holder owns or leases.

The commissioner shall issue a certificate described in clause (1) only to a person described in paragraph (b), clause (2) or (3).

(d) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the state patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the state patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 735, A bill for an act relating to highway traffic regulations; implements of husbandry; defining implements of husbandry; exempting trailers that carry dry fertilizer from vehicle registration tax; reducing the maximum speed limit for implements of husbandry to 25 miles per hour; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 168.012, subdivision 2b; 169.01, subdivision 55; 169.145; 169.18, subdivision 5; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.781, subdivision 3; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; and 171.13, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

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 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brown, C. Winter

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

H. F. No. 1107 was reported to the House.

Huntley moved to amend H. F. No. 1107, the first grossment, as follows:

Page 1, lines 19 and 20, delete ", as amended March 2, 1993,"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

H. F. No. 1107, A bill for an act relating to waters; establishing a small craft harbors program for Lake Superior; stating powers and duties of the commissioner of natural resources and local authorities in respect thereto; proposing coding for new law in Minnesota Statutes, chapter 86A.

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 94 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Haukoos	Lasley	Ness	Rest	Tunheim
Asch	Dehler	Huntley	Lieder	Olson, E.	Rice	Vellenga
Battaglia	Delmont	Jacobs	Limmer	Olson, K.	Rodosovich	Waltman
Bauerly	Dempsey	Jefferson	Lourey	Onnen	Rukavina	Weaver
Beard	Dorn	Jennings	Luther	Opatz	Seagren	Wejzman
Bertram	Erhardt	Johnson, A.	Lynch	Orenstein	Sekhon	Wenzel
Bettermann	Evans	Johnson, R.	Mahon	Orfield	Smith	Winter
Blatz	Farrell	Johnson, V.	Mariani	Ostrom	Solberg	Wolf
Brown, C.	Garcia	Kahn	McCollum	Ozment	Sparby	Worke
Brown, K.	Goodno	Kelley	McGuire	Pelowski	Stanisus	Spk. Long
Carlson	Greenfield	Kelso	Milbert	Perlt	Steensma	
Clark	Greiling	Kinkel	Mosel	Peterson	Swenson	
Cooper	Gruenes	Klinzing	Murphy	Pugh	Tomassori	
Dauner	Hasskamp	Krueger	Nelson	Reding	Tompkins	

Those who voted in the negative were:

Abrams	Davids	Holsten	Leppik	Olson, M.	Skoglund	Wagenius
Anderson, R.	Frerichs	Hugoson	Lindner	Osthoff	Sviggum	Workman
Bergson	Girard	Kalis	Mackin	Pauly	Trimble	
Carruthers	Gutknecht	Koppendrayner	Molnau	Pawlenty	Van Dellen	
Commers	Hausman	Krinkie	Morrison	Rhodes	Vickerman	

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

H. F. No. 962, A bill for an act relating to metropolitan government; requiring a classroom noise study.

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 116 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bettermann	Girard	Gruenes	Krinkie	Waltman
Davids	Goodno	Hugoson	Nelson	Workman

The bill was passed and its title agreed to.

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

## GENERAL ORDERS

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

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

## REPORTS OF STANDING COMMITTEES

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

H. F. No. 637, A bill for an act relating to retirement; teachers retirement association; providing for the consolidation of the St. Paul teachers retirement fund association; making conforming amendments; amending Minnesota Statutes 1992, sections 3.85, subdivisions 11 and 12; 354.05, subdivisions 2 and 13; 354A.011, subdivisions 8 and 15a; 354A.021, subdivision 1; 354A.092; 354A.093; 354A.095; 354A.096; 354A.12, subdivisions 1, 2, 2a, and 2b; 354A.23, subdivision 1; 354A.30; 354A.32, subdivision 1; 354A.39; 354A.40, subdivision 1; 354A.41; 356.20, subdivision 2; 356.215, subdivision 2; 356.30, subdivision 3; 356.302, subdivision 7; 356.303, subdivision 4; 356.32, subdivision 2; 356.35, subdivisions 2

and 5; 356.36, subdivision 1; 356.86, subdivisions 1, 2, and 3; Laws 1965, chapter 705, section 1, subdivision 4; Laws 1989, chapter 319, article 13, section 94; Laws 1990, chapter 570, article 7, section 4; and Laws 1992, chapter 598, articles 5, section 2; and 6, section 18; repealing Minnesota Statutes 1992, sections 354A.23, subdivision 2; 355.201; 355.202; 355.203; 355.204; 355.205; 355.206; 355.207; 355.208; 355.209; Laws 1976, chapter 238, section 14; Laws 1977, chapter 429, sections 60 and 61; Laws 1979, chapter 109; Laws 1981, chapter 157; Laws 1985, chapter 259, section 3; Laws 1987, chapter 372, article 7, section 6; Laws 1988, chapter 709, article 8, section 8; Laws 1990, chapter 570, article 7, section 3; and Laws 1991, chapter 67.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 354A.12, subdivision 2, is amended to read:

Subd. 2. [RETIEMENT CONTRIBUTION LEVY DISALLOWED.] Except as provided in subdivision 3b, paragraph (d), with respect to special school district No. 1, notwithstanding any law to the contrary, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by the Duluth teachers retirement fund association or the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, are disallowed.

Sec. 2. Minnesota Statutes 1992, section 354A.12, subdivision 2a, is amended to read:

Subd. 2a. [EMPLOYER REGULAR AND ADDITIONAL CONTRIBUTION RATES.] (a) The employing units shall make the following employer contributions to teachers retirement fund associations:

(1) for any coordinated member of a teachers retirement fund association in a city of the first class, the employing unit shall pay the employer social security taxes in accordance with section 355.46, subdivision 3, clause (b);

(2) for any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a regular employer contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth teachers retirement fund association	4.50 percent
Minneapolis teachers retirement fund association	4.50 percent
St. Paul teachers retirement fund association	4.50 percent;

(3) for any basic member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a regular employer contribution to the respective retirement fund in an amount equal to the designated percentage of the salary of the basic member as provided below:

Minneapolis teachers retirement fund association	8.50 percent
St. Paul teachers retirement fund association	8.00 percent

(4) for a basic member of a teachers retirement fund association in a city of the first class, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to the designated percentage of the salary of the basic member, as provided below:

Minneapolis teachers retirement fund association	
<u>July 1, 1993 - June 30, 1994</u>	4.85 percent
<u>July 1, 1994 and thereafter</u>	3.64 percent

St. Paul teachers retirement fund association	
<u>July 1, 1993 - June 30, 1995</u>	4.63 percent
<u>July 1, 1995 and thereafter</u>	3.64 percent

(5) for a coordinated member of a teachers retirement fund association in a city of the first class, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to the applicable percentage of the coordinated member's salary, as provided below:

Duluth teachers retirement fund association 1.29 percent

Minneapolis teachers retirement fund association

<del>July 1, 1992 - June 30, 1993</del>	<del>0.00 percent</del>
<del>July 1, 1993, and thereafter</del>	<del>1.00</del>
<u>July 1, 1993 - June 30, 1994</u>	<u>0.50 percent</u>
<u>July 1, 1994 and thereafter</u>	<u>3.64 percent</u>

St. Paul teachers retirement fund association

<del>July 1, 1992 - June 30, 1993</del>	<del>0.00 percent</del>
<del>July 1, 1993, and thereafter</del>	<del>1.00</del>
<u>July 1, 1993 - June 30, 1994</u>	<u>0.5 percent</u>
<u>July 1, 1994 - June 30, 1995</u>	<u>1.50 percent</u>
<u>July 1, 1995 and thereafter</u>	<u>3.64 percent</u>

(b) ~~For basic members of the Minneapolis teachers retirement fund association and the St. Paul teachers retirement fund association who retire on or after July 1, 1993, the employing unit shall continue to make an additional employer contribution to the retirement fund in an amount equal to the average salary of the employing unit's basic members multiplied by the relevant percentages in paragraph (a), clause (4).~~

(e) The regular and additional employer contributions must be remitted directly to the respective teachers retirement fund association each month.

(d) (c) Payments of regular and additional employer contributions for school district or technical college employees who are paid from normal operating funds must be made from the appropriate fund of the district or technical college.

Sec. 3. Minnesota Statutes 1992, section 354A.12, is amended by adding a subdivision to read:

Subd. 3a. [SPECIAL DIRECT STATE AID TO ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION.] (a) The state shall pay to the St. Paul teachers retirement fund association \$500,000 in fiscal year 1994. In each subsequent fiscal year, the payment to the St. Paul teachers retirement fund association must be increased at the same rate as the increase in the general education aids formula in subsequent fiscal years.

(b) The direct state aid is payable October 1 annually. The commissioner of education shall pay the direct state aid. The amount required under this subdivision is appropriated annually to the commissioner of education.

Sec. 4. Minnesota Statutes 1992, section 354A.12, is amended by adding a subdivision to read:

Subd. 3b. [SPECIAL DIRECT STATE MATCHING AID TO THE MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION.] (a) Special school district No. 1 shall make an additional employer contribution to the Minneapolis teachers retirement fund association. The city of Minneapolis shall make a contribution to the Minneapolis teachers retirement fund association. This contribution may be made by a levy of the board of estimate and taxation of the city of Minneapolis, and the levy if made, shall be classified as that of a special taxing district for purposes of section 275.065.

(b) For every \$1,000 contributed in equal proportion by special school district No. 1 and by the city of Minneapolis to the Minneapolis teachers retirement fund association under paragraph (a), the state shall pay to the Minneapolis teachers retirement fund association \$1,000, but not to exceed \$2,500,000 in total in fiscal year 1994. The total amount available for each subsequent fiscal year must be increased at the same rate as the increase in the general education aids formula in subsequent fiscal years. The superintendent of special school district No. 1, the mayor of the city of Minneapolis, and the executive director of the Minneapolis teachers retirement fund association shall jointly certify to the commissioner of education the total amount that has been contributed by special school district No. 1 and by the city of Minneapolis to the Minneapolis teachers retirement fund association. Any certification to the commissioner of education must be made quarterly. If the total certifications for a fiscal year exceed the maximum annual direct state matching aid amount in any quarter, the amount of direct state matching aid payable to the Minneapolis teachers retirement fund association must be limited to the balance of the maximum annual direct state matching aid amount available. The amount required under this paragraph, subject to the maximum direct state matching aid amount, is appropriated annually to the commissioner of education.

(c) The commissioner of education may prescribe the form of the certifications required under paragraph (b).

(d) In the calendar year next following the making of a contribution under paragraph (a), special school district No. 1 may levy a tax over the taxable property of the school district equal to the amount of the contribution to the Minneapolis teachers retirement fund association to reimburse itself for the amount of the additional retirement contribution under paragraph (b) previously made from other revenue sources.

Sec. 5. Minnesota Statutes 1992, section 354A.12, is amended by adding a subdivision to read:

Subd. 3c. [TERMINATION OF DIRECT STATE MATCHING AID.] (a) The direct state aid under subdivision 3a to the St. Paul teachers retirement association and the direct state aid under subdivision 3b to the Minneapolis teachers retirement fund association shall terminate for the respective fund at the end of the fiscal year in which the accrued liability funding ratio for that fund, as determined in the most recent actuarial report for that fund by the actuary retained by the legislative commission on pensions and retirement, equals or exceeds the accrued liability funding ratio for the teachers retirement association, as determined in the most recent actuarial report for the teachers retirement association by the actuary retained by the legislative commission on pensions and retirement.

(b) If the state aid is terminated for the St. Paul teachers retirement fund association or the Minneapolis teachers retirement fund association under paragraph (a), it cannot again be received by that fund.

Sec. 6. Minnesota Statutes 1992, section 354A.12, is amended by adding a subdivision to read:

Subd. 3d. [SUPPLEMENTAL ADMINISTRATIVE EXPENSE ASSESSMENT.] (a) The active and retired membership of the Minneapolis teachers retirement fund association and of the St. Paul teachers retirement fund association is responsible for defraying supplemental administrative expenses other than investment expenses of the respective teacher retirement fund association.

(b) Investment expenses of the teachers retirement fund association are those expenses incurred by or on behalf of the retirement fund in connection with the investment of the assets of the retirement fund other than investment security transaction costs. Other administrative expenses are all expenses incurred by or on behalf of the retirement fund for all other retirement fund functions other than the investment of retirement fund assets. Investment and other administrative expenses must be accounted for using generally accepted accounting principles and in a manner consistent with the comprehensive annual financial report of the teachers retirement fund association for the immediately previous fiscal year under section 356.20.

(c) Supplemental administrative expenses other than investment expenses of a first class city teacher retirement fund association are those expenses for the fiscal year that exceed the amount computed by applying the most recent percentage of pay administrative expense amount, other than investment expenses, for the teachers retirement association governed by chapter 354 to the covered payroll of the respective teachers retirement fund association for the fiscal year.

(d) The board of trustees of each applicable first class city teachers retirement fund association shall allocate the total dollar amount of supplemental administrative expenses other than investment expenses among the various active and retired membership groups of the teachers retirement fund association and shall assess the various membership groups their respective share of the supplemental administrative expenses other than investment expenses, in amounts as determined by the board of trustees. The supplemental administrative expense assessments must be paid by the membership group in a manner determined by the board of trustees of the respective teachers retirement fund association.

(e) The supplemental administrative expense assessments must be deposited in the applicable teachers retirement fund upon receipt.

(f) Any omitted active membership group assessments that remain undeducted and unpaid to the teachers retirement fund association for 90 days must be paid by the respective school district. The school district may recover any omitted active membership group assessment amounts that it has previously paid. The teachers retirement fund association shall deduct any omitted retired membership group assessment amounts from the benefits next payable after the discovery of the omitted amounts.

Sec. 7. [354A.28] [MODIFICATION IN MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION POSTRETIREMENT ADJUSTMENT.]

Subdivision 1. [POSTRETIREMENT ADJUSTMENT MODIFICATION.] Any postretirement adjustment payable from the Minneapolis teachers retirement fund association after June 1, 1993, must be modified as provided in this section.

Subd. 2. [ESTABLISHMENT.] The Minneapolis teachers retirement fund association shall establish an annuity reserve fund for providing an investment vehicle for the reserves for various retirement annuities and benefits payable by the fund.

Subd. 3. [ASSETS.] The assets of the annuity reserve fund consist of the money representing the actuarially determined required reserves for various retirement annuities and benefits payable by the Minneapolis teachers retirement fund association.

Subd. 4. [MANAGEMENT.] The Minneapolis teachers retirement fund association annuity reserve fund must be managed by the board of trustees of the Minneapolis teachers retirement fund association.

Subd. 5. [INVESTMENT.] The assets of the annuity reserve fund must be invested, reinvested, and retained in the discretion of the board of trustees of the Minneapolis teachers retirement fund association in authorized investments under section 11A.24.

Subd. 6. [ALLOCATION OF ASSETS.] No later than the last business day of the month in which the benefit payment begins, the board of trustees of the Minneapolis teachers retirement fund association shall determine the reserves to be allocated to the respective annuity reserve fund in the following manner:

(1) The present value of the benefit payable to the annuitant or benefit recipient must be determined using the postretirement earnings assumptions specified for the first class city teachers retirement funds in section 356.215 and the mortality table applicable to the fund.

(2) The amount determined in clause (1) must be multiplied by the funding ratio of the teachers retirement fund association determined for the previous fiscal year end and the product must be identified as the amount allocated to the annuity reserve fund.

Subd. 7. [WITHDRAWAL OF MONEY.] If the executive director of the Minneapolis teachers retirement fund association concludes that money is required for the payment of retirement annuities or benefits, the executive director shall sell sufficient securities in the reserve fund or transfer available cash to pay benefits.

Subd. 8. [CALCULATION OF POSTRETIREMENT ADJUSTMENTS.] (a) Annually, following June 30, the board of trustees of the Minneapolis teachers retirement fund association shall use the applicable procedures in paragraphs (b) and (c) to determine the amount of any postretirement adjustment.

(b) The authority to pay the automatic two percent annual postretirement increase as specified in the articles and bylaws continues.

(c) In addition to the postretirement increases granted under paragraph (b), an additional percentage increase must be computed and paid as follows:

(1) The board of trustees shall determine the number of annuities or benefit recipients who have been receiving an annuity or benefit for at least 12 months as of the current June 30. These recipients are entitled to receive the surplus investment earnings additional postretirement increase.

(2) Annually, on June 30, the board of trustees of the teachers retirement fund association shall determine the amount of reserves in the annuity reserve fund as specified in subdivision 6.

(3) Annually, on June 30, the board of trustees of the Minneapolis teachers retirement fund association shall determine the five-year annualized rate of return attributable to the assets in the annuity reserve fund under the formula or formulas specified in section 11A.04, clause (11).

(4) The board of trustees shall determine the amount of excess five-year annualized rate of return over the preretirement interest assumption as specified in section 356.215.

(5) The additional increase must be determined by multiplying the quantity one minus the rate of contribution deficiency, as specified in the most recent actuarial report of the actuary retained by the legislative commission on pensions and retirement, times the rate of return excess as determined in clause (4).

(6) The additional increase is payable to all eligible annuitants or benefit recipients on January 1 following the applicable June 30 determination date under clauses (2) and (3).

Sec. 8. [354A.29] [MODIFICATION IN THE ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION POSTRETIREMENT ADJUSTMENT.]

Subdivision 1. [POSTRETIREMENT ADJUSTMENT MODIFICATION.] Any postretirement adjustment payable from the St. Paul teachers retirement fund association after June 1, 1993, must be modified as provided in this section.

Subd. 2. [ESTABLISHMENT.] The St. Paul teachers retirement fund association shall establish an annuity reserve fund for providing an investment vehicle for the reserves for various retirement annuities and benefits payable by the fund.

Subd. 3. [ASSETS.] The assets of the annuity reserve fund must consist of the money representing the actuarially determined required reserves for various retirement annuities and benefits payable by the St. Paul teachers retirement fund association.

Subd. 4. [MANAGEMENT.] The St. Paul teachers retirement fund association annuity reserve fund must be managed by the board of trustees of the St. Paul teachers retirement fund association.

Subd. 5. [INVESTMENT.] The assets of the annuity reserve fund must be invested, reinvested, and retained in the discretion of the board of trustees of the St. Paul teachers retirement fund association in authorized investments under section 11A.24.

Subd. 6. [ALLOCATION OF ASSETS.] No later than the last business day of the month in which the benefit payment begins, the board of trustees of the St. Paul teachers retirement fund association shall determine the reserves to be allocated to the respective annuity reserve fund in the following manner:

(1) The present value of the benefit payable to the annuitant or benefit recipient must be determined using the postretirement earnings assumptions specified for the first class city teachers retirement funds in section 356.215, and the mortality table applicable to the fund.

(2) The amount determined in clause (1) must be multiplied by the funding ratio of the St. Paul teachers retirement fund association determined for the previous fiscal year end and the product must be identified as the amount allocated to the annuity reserve fund.

Subd. 7. [WITHDRAWAL OF MONEY.] If the executive secretary of the St. Paul teachers retirement fund association concludes that money is required for the payment of retirement annuities or benefits, the executive secretary or director shall sell sufficient securities in the reserve fund or transfer available cash to pay benefits.

Subd. 8. [CALCULATION OF POSTRETIREMENT ADJUSTMENTS.] (a) Annually, following June 30, the board of trustees of the St. Paul teachers retirement fund association shall use the applicable procedures in paragraphs (b) and (c) to determine the amount of any postretirement adjustment.

(b) An amount equal to two percent of the market value of the annuity reserve fund must be allocated to pay the lump sum postretirement adjustment in the manner specified in the articles and bylaws of the association of the St. Paul teachers retirement fund association in effect on the effective date of this section applicable to the thirteenth check.

(c) In addition to the postretirement increases granted under paragraph (b), an additional percentage increase must be computed and paid as follows:

(1) The board of trustees shall determine the number of annuities or benefit recipients who have been receiving an annuity or benefit for at least 12 months as of the current June 30. These recipients are entitled to receive the surplus investment earnings additional postretirement increase.

(2) Annually, on June 30, the board of trustees of the St. Paul teachers retirement fund association shall determine the amount of reserves in the annuity reserve fund as specified in subdivision 6.

(3) Annually, on June 30, the board of trustees of the St. Paul teachers retirement fund association shall determine the five-year annualized rate of return attributable to the assets in the annuity reserve fund under the formula or formulas specified in section 11A.04, clause (11).

(4) The board of trustees shall determine the amount of excess five-year annualized rate of return over the preretirement interest assumption as specified in section 356.215.

(5) The additional increase must be determined by multiplying the quantity one minus the rate of contribution deficiency, as specified in the most recent actuarial report of the actuary retained by the legislative commission on pensions and retirement, times the rate of return excess as determined in clause (4).

(6) The additional increase is payable to all eligible annuitants or benefit recipients on January 1 following the applicable June 30 determination date under clauses (2) and (3).

Sec. 9. [STUDY OF TEACHERS RETIREMENT FUND ASSOCIATIONS PHASE-OUT OR CONSOLIDATION OPTIONS.]

(a) The legislative commission on pensions and retirement shall study the options available for phasing-out or consolidating the first class city teacher retirement fund associations. The commission shall report its conclusions on or before February 1, 1994, to the chairs of the committee on governmental operations and reform of the senate, the committee on finance of the senate, the committee on governmental operations and gambling of the house of representatives, and the committee on ways and means of the house of representatives.

(b) The legislative commission on pensions and retirement shall establish a technical advisory group for the study composed of the commission staff, the directors of the first class city teacher retirement funds, a representative of the teacher bargaining unit of the respective school districts, a representative of each school district, and a representative of the department of finance. Each applicable bargaining unit and school district shall notify the chair of the legislative commission on pensions and retirement of its designation of a representative.

(c) The executive director of the teachers retirement association and an employee representative to be selected by the board of the teachers retirement association shall be members of the technical advisory group in paragraph (b). The board shall notify the chair of the legislative commission on pensions and retirement of its designation of an employee representative.

Sec. 10. [REPEALER.]

Laws 1987, chapter 372, article 3, section 1, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 5, 8, 9, and 10 are effective on July 1, 1993. Sections 6 and 7 are effective for the Minneapolis teachers retirement fund association the day following first receipt of contributions from special school district No. 1, the city of Minneapolis, and matching state contributions under section 4. Section 6 is effective for the St. Paul teachers retirement fund association on July 1, 1993."

Delete the title and insert:

"A bill for an act relating to retirement; Minneapolis and St. Paul teachers retirement fund associations; providing additional funding from various sources; assessing active and retired members for certain teachers retirement fund associations supplemental administrative expenses; modifying certain post retirement adjustments; authorizing

contributions by the city of Minneapolis; appropriating money; authorizing certain tax levies by special school district No. 1; amending Minnesota Statutes 1992, section 354A.12, subdivisions 2, 2a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 354A; repealing Laws 1987, chapter 372, article 3, section 1."

With the recommendation that when so amended the bill be re-referred to the Committee on Rules and Legislative Administration without further recommendation.

The report was adopted.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 139, A bill for an act relating to the town of Santiago; authorizing the establishment of a detached banking facility.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 287, A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wagenius moved that the House refuse to concur in the Senate amendments to H. F. No. 287, that the Speaker appoint a Conference Committee of 5 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.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

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

S. F. No. 589; H. F. No. 1191; S. F. Nos. 1208, 283, 96 and 413; H. F. No. 1285; S. F. Nos. 1400, 490, 464, 1380, 174 and 739; H. F. Nos. 1149 and 1529; S. F. Nos. 1087, 273, 306 and 639; H. F. No. 1068; S. F. Nos. 361 and 1184; and H. F. No. 777.

MOTIONS AND RESOLUTIONS

Kinkel moved that his name be stricken as an author on H. F. No. 692. The motion prevailed.

Beard moved that the name of Anderson, I., be added as an author on H. F. No. 1519. The motion prevailed.

Orfield moved that the name of Johnson, R., be added as an author on H. F. No. 1707. The motion prevailed.

Koppendraye moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Thursday, April 29, 1993, when the vote was taken on the Workman amendment to H. F. No. 671, the second engrossment, as amended." The motion prevailed.

Ness moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Tuesday, April 27, 1993, when the vote was taken on the final passage of S. F. No. 1613, as amended." The motion prevailed.

Ness moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, April 27, 1993, when the vote was taken on the Sviggum and Swenson amendment to S. F. No. 1613, as amended." The motion prevailed.

Winter moved that H. F. No. 91 be returned to its author. The motion prevailed.

Rest moved that H. F. No. 1259 be recalled from the Committee on Taxes and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Monday, May 3, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Monday, May 3, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FORTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 3, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

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

A quorum was present.

Milbert was excused until 9:25 a.m. McGuire was excused until 9:40 a.m. Welle was excused until 9:45 a.m. Sparby was excused until 10:30 a.m. Jefferson was excused until 10:40 a.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 1046 and H. F. No. 1220, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 1046 be substituted for H. F. No. 1220 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1619 and H. F. No. 575, 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. 1619 be substituted for H. F. No. 575 and that the House File be indefinitely postponed. The motion prevailed.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1046 and 1619 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Steensma, Trimble and Morrison introduced:

H. F. No. 1763, 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 Governmental Operations and Gambling.

Farrell introduced:

H. F. No. 1764, A bill for an act relating to occupations and professions; adding traffic escort services to occupations regulated by the board of private detective and protective agent services; amending Minnesota Statutes 1992, sections 169.20, subdivision 5; 326.32, subdivisions 5, 8, 9, and 10; 326.33, subdivision 1; 326.3311; 326.3331; 326.336, subdivisions 1 and 3; 326.338, subdivision 4, and by adding a subdivision; 326.3381, subdivisions 1 and 2; 326.3382; 326.3383, subdivision 1; 326.3384, subdivision 1; 326.3386, subdivisions 1, 2, 3, 4, and 6; and 326.3387.

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

Sparby, Goodno and Winter introduced:

H. F. No. 1765, A bill for an act relating to taxation; providing for sales tax rebates for retailers in border city enterprise zones; appropriating money; amending Minnesota Statutes 1992, section 469.171, subdivision 6, and by adding a subdivision.

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

## HOUSE ADVISORIES

The following House Advisory was introduced:

Rest introduced:

H. A. No. 17, A proposal to study a vending machine decal fee system.

The advisory was referred to the Committee on Taxes.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 270, A bill for an act relating to the city of St. Paul; authorizing payment of refunds to the estates of certain deceased firefighters.

H. F. No. 1228, A bill for an act relating to retirement; public employees retirement association and Minneapolis employees retirement fund; providing for the retention of pension coverage for certain transferred employees.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 430, A bill for an act relating to human services; requiring the department of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 430 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 430, A bill for an act relating to human services; requiring the departments of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Dauner	Evans	Gutknecht	Johnson, R.	Koppendrayer
Anderson, I.	Bettermann	Davids	Frerichs	Hasskamp	Johnson, V.	Krinkie
Anderson, R.	Blatz	Dawkins	Garcia	Haukoos	Kalis	Krueger
Asch	Brown, K.	Dehler	Girard	Holsten	Kelley	Lasley
Battaglia	Carlson	Delmont	Goodno	Hugoson	Kelso	Leppik
Bauerly	Carruthers	Dempsey	Greenfield	Huntley	Kinkel	Lieder
Beard	Commers	Dorn	Greiling	Jacobs	Klinzing	Limmer
Bergson	Cooper	Erhardt	Gruenes	Johnson, A.	Knickerbocker	Lindner

Luther	Murphy	Orfield	Reding	Simoneau	Tompkins	Wenzel
Lynch	Neary	Osthoff	Rest	Skoglund	Trimble	Winter
Macklin	Nelson	Ostrom	Rhodes	Smith	Tunheim	Wolf
Mahon	Ness	Pauly	Rice	Solberg	Van Dellen	Worke
Mariani	Olson, K.	Pawlenty	Rodosovich	Stanius	Vellenga	Workman
McCollum	Olson, M.	Pelowski	Rukavina	Steensma	Vickerman	Spk. Long
Molnau	Onnen	Perit	Sarna	Sviggum	Waltman	
Morrison	Opatz	Peterson	Seagren	Swenson	Weaver	
Munger	Orenstein	Pugh	Sekhon	Tomassoni	Wejzman	

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

Madam Speaker:

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

H. F. No. 113, A bill for an act relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles; amending Minnesota Statutes 1992, section 169.06, subdivision 6.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Orenstein moved that the House concur in the Senate amendments to H. F. No. 113 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 113, A bill for an act relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles; amending Minnesota Statutes 1992, section 169.06, subdivision 6.

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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 9, A bill for an act relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

PATRICK E. FLAHAVER, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 9 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 9, A bill for an act relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Sviggum

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

Madam Speaker:

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

H. F. No. 969, A bill for an act relating to transportation; adopting federal motor carrier safety regulations; allowing small motor carriers to file abbreviated annual reports; providing for registration of interstate motor carriers; defining

terms; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on shipping documents and other motor carrier records; making technical changes; imposing penalties; amending Minnesota Statutes 1992, sections 168.011, subdivision 36; 168.1281, subdivision 3; 169.781, subdivision 3; 169.81, subdivision 2; 221.011, by adding subdivisions; 221.031, subdivisions 1, 2, 2a, 2b, 3, 3a, 3b, 3c, 5, and 6; 221.0313, subdivision 1; 221.033, subdivisions 2 and 2a; 221.035, subdivision 2; 221.036, subdivisions 1 and 3; 221.172; 221.81, subdivision 3e; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Laws 1992, chapters 568, section 1; and 578, section 15.

PATRICK E. FLAHAVER, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Pauly moved that the House concur in the Senate amendments to H. F. No. 969 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 969, A bill for an act relating to transportation; changing requirement for town road account distribution; defining exempt carriers to include certain tow trucks; adopting federal motor carrier safety regulations; allowing small motor carriers to file abbreviated annual reports; providing for registration of interstate motor carriers; defining terms; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on shipping documents and other motor carrier records; making technical changes; imposing penalties; amending Minnesota Statutes 1992, sections 162.081, subdivision 4; 164.06, subdivision 2; 168.011, subdivision 36; 168.1281, subdivision 3; 169.01, subdivision 52; 169.81, subdivision 2; 221.011, by adding subdivisions; 221.025; 221.031, subdivisions 1, 2, 2a, 2b, 3, 3a, 3b, 3c, 5, and 6; 221.0313, subdivision 1; 221.033, subdivisions 2 and 2a; 221.035, subdivision 2; 221.036, subdivisions 1 and 3; 221.172; 221.81, subdivision 3e; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Laws 1992, chapters 568, section 1; and 578, section 15.

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 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Huntley            Rukavina

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

Madam Speaker:

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

S. F. No. 1201, A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 1031.345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 1031.701; 1031.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 148.95; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

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

Messrs. Finn, Betzold and Dille.

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

Asch 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. 1201. The motion prevailed.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1225, 10, 1445, 299, 1133 and 1114.

H. F. No. 1225 was reported to the House.

Wenzel, Steensma, Koppendrayner, Nelson, Dauner and Johnson, V., moved to amend H. F. No. 1225, the fourth engrossment, as follows:

Page 14, after line 35, insert:

"Sec. 21. [EDUCATION SPECIALIST; MANDATE.]

The department of education shall retain the position of education specialist II and its current responsibilities.

Qualified candidates for the position must have a background in agriculture and at least a masters degree in agriculture education plus three years teaching experience in agriculture education.

The individual would also serve as state advisor for the student organization Future Farmers of America (FFA) and the majority of time should be devoted to administration and management of secondary agriculture education programs."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Wenzel et al amendment and the roll was called. There were 108 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Hasskamp	Lasley	Neary	Pugh	Trimble
Anderson, R.	Davids	Hugoson	Leppik	Nelson	Reding	Tunheim
Battaglia	Dawkins	Huntley	Lieder	Ness	Rest	Van Dellen
Bauerly	Dehler	Jacobs	Lindner	Olson, E.	Rhodes	Vellenga
Beard	Dempsey	Jaros	Lourey	Olson, K.	Rice	Vickerman
Bergson	Dorn	Jennings	Luther	Olson, M.	Rodosovich	Waltman
Bertram	Evans	Johnson, A.	Lynch	Onnen	Rukavina	Weaver
Bettermann	Farrell	Johnson, R.	Macklin	Opatz	Sarna	Wenzel
Blatz	Frerichs	Johnson, V.	Mahon	Orenstein	Seagren	Winter
Brown, C.	Garcia	Kalis	Mariani	Orfield	Sekhon	Wolf
Brown, K.	Girard	Kelley	McGuire	Ostrom	Smith	Worke
Carlson	Goodno	Kelso	Milbert	Ozment	Solberg	Spk. Long
Carruthers	Greenfield	Kinkel	Molnau	Pawlenty	Steensma	
Clark	Greiling	Klinzing	Mosel	Pelowski	Sviggum	
Commers	Gruenes	Koppendrayser	Munger	Perlt	Swenson	
Cooper	Gutknecht	Krueger	Murphy	Peterson	Tomassoni	

Those who voted in the negative were:

Abrams	Delmont	Hausman	Krinkie	Morrison	Simoneau	Tompkins
Asch	Erhardt	Holsten	Limmer	Osthoff	Skoglund	Wagenius
Bishop	Haukoos	Krickerbocker	McCollum	Pauly	Stanias	Workman

The motion prevailed and the amendment was adopted.

Reding moved to amend H. F. No. 1225, the fourth engrossment, as amended, as follows:

Page 2, line 18, restore the old language

Page 2, line 19, delete the new language

The motion prevailed and the amendment was adopted.

H. F. No. 1225, A bill for an act relating to agriculture; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; exempting certain pesticides from the ACRRA surcharge; requiring a report; appropriating money; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.135; 18B.14, subdivision 2; 18B.26, subdivision 3; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; 18C.305, subdivision 2; 18E.03, subdivisions 2 and 5; 21.85, subdivision 10; 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 18B.07, subdivision 3; 18C.211, subdivision 3; 18C.215, subdivision 3; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; 24.42; 25.46; and 25.47.

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

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

H. F. No. 10 was reported to the House.

Bauerly moved to amend H. F. No. 10, the third engrossment, as follows:

Page 4, line 9, delete "business, industry" and insert "affected local businesses, industries, occupations and labor, as well as the local community"

Page 4, line 10, delete "occupations, labor, and the community"

Page 6, line 12, delete "business," and insert "and should include representatives of affected local businesses, industries and labor, as well as the local community"

Delete line 13 up to the period

Page 6, line 21, after the period insert "The applicant may select a name to identify the project."

Page 7, line 5, delete "Of"

Page 7, delete lines 6 to 8 and insert "Up to \$200,000 of this appropriation may be used by the commissioner of the department of education to contract for services to provide technical assistance in creating a clearinghouse for information, recruiting businesses, developing skills standards, developing evaluation criteria, and establishing a databank for youth apprenticeship programs. The appropriation is available until until June 30, 1995."

The motion prevailed and the amendment was adopted.

Johnson, R.; Winter; Bauerly; Johnson, V., and Lourey moved to amend H. F. No. 10, the third engrossment, as amended, as follows:

Page 5, line 27, after <sup>o</sup>the period insert "The representatives for the Minnesota Education Association and the Minnesota Federation of Teachers must be selected from geographically diverse areas of the state. The two representatives each from business, labor, and industry organizations should reflect geographically diverse areas of the state."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 10, A bill for an act relating to education; establishing a youth apprenticeship program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

McCollum

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

The Speaker called Bauerly to the Chair.

H. F. No. 1445, A bill for an act relating to industrial development; authorizing a grant to a nonprofit organization to promote expanding flexible collaborative manufacturing networks statewide.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 299, A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

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

Sekhon	Solberg	Sviggum	Trimble	Vickerman	Wejcman	Wolf
Simoneau	Sparby	Swenson	Tunheim	Wagenius	Welle	Worke
Skoglund	Stanius	Tomassoni	Van Dellen	Waltman	Wenzel	Workman
Smith	Steensma	Tompkins	Vellenga	Weaver	Winter	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1133 was reported to the House.

Hausman moved to amend H. F. No. 1133, the first engrossment, as follows:

Page 1, line 22, delete "shall" and insert "may"

The motion prevailed and the amendment was adopted.

H. F. No. 1133, A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

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

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

H. F. No. 1114 was reported to the House.

Rukavina moved to amend H. F. No. 1114, the second engrossment, as follows:

Page 2, after line 23, insert:

"Sec. 4. Minnesota Statutes 1992, section 97B.041, is amended to read:

97B.041 [POSSESSION OF FIREARMS AND AMMUNITION RESTRICTED IN DEER ZONES.]

A person may not possess a firearm or ammunition outdoors during the period beginning the tenth day before the open firearms season and ending the second day after the close of the season within an area where deer may be taken by a firearm, except:

(1) during the open season and in an area where big game may be taken, a firearm and ammunition authorized for taking big game in that area may be used to take big game in that area if the person has a valid big game license in possession;

(2) an unloaded firearm that is in a case or in a closed trunk of a motor vehicle;

(3) a shotgun and shells containing No. 4 buckshot or smaller diameter lead shot or steel shot;

(4) a handgun or rifle and only short, long, and long rifle cartridges that are caliber of .22 inches;

(5) handguns possessed by a person authorized to carry a handgun under sections 624.714 and 624.715 for the purpose authorized; ~~and~~

(6) on a target range operated under a permit from the commissioner; and

(7) a rifle and ammunition may be possessed on private property for the sole purpose of sighting in the rifle."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Evans moved to amend H. F. No. 1114, the second engrossment, as amended, as follows:

Page 2, after line 36, insert:

"Sec. 5. Minnesota Statutes 1992, section 97A.091, subdivision 2, is amended to read:

Subd. 2. [WHEN HUNTING ALLOWED.] (a) The commissioner may allow hunting of a protected wild animal species within any portion of a state game refuge, including a state park, during the next regular open season. Hunting in a refuge may be allowed only if the commissioner finds:

(1) the population of the species exceeds the refuge's carrying capacity;

(2) the species is causing substantial damage to agricultural or forest crops in the vicinity;

(3) the species or other protected wild animals are threatened by the species population; or

(4) a harvestable surplus of the species exists.

(b) The commissioner may prescribe rules for any hunting allowed within a refuge.

In any selection process to award licenses of permits to take deer within a refuge, up to 20 percent of the licenses or permits may be granted to applicants age 65 or over or to disabled applicants qualified for a permit under section 97B.055, subdivision 3, or 97B.106."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kinkel; Johnson, R.; Anderson, I.; Solberg; Rukavina; Anderson, R.; Hasskamp; Bettermann; Goodno; Tomassoni; Sarna and Kahn offered an amendment, as amended by Morrison, to H. F. No. 1114, the second engrossment, as amended.

#### POINT OF ORDER

Osthoff raised a point of order pursuant to rule 3.09 that the Kinkel et al amendment, as amended by Morrison, was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment, as amended, out of order.

Osthoff moved to amend H. F. No. 1114, the second engrossment, as amended, as follows:

Page 2, after line 23, insert:

"Sec. 4. Minnesota Statutes 1992, section 97B.041, is amended to read:

97B.041 [POSSESSION OF FIREARMS AND AMMUNITION RESTRICTED IN DEER ZONES.]

A person may not possess a firearm or ammunition outdoors during the period beginning the tenth day before the open firearms season and ending the second day after the close of the season within an area where deer may be taken by a firearm, except:

(1) during the open season and in an area where big game may be taken, a firearm and ammunition authorized for taking big game in that area may be used to take big game in that area if the person has a valid big game license in possession;

(2) an unloaded firearm that is in a case or in a closed trunk of a motor vehicle;

(3) a shotgun and shells containing No. 4 buckshot or smaller diameter lead shot or steel shot;

(4) a handgun or rifle and only short, long, and long rifle cartridges that are caliber of .22 inches;

(5) handguns possessed by a person authorized to carry a handgun under sections 624.714 and 624.715 for the purpose authorized; and

(6) on a target range operated under a permit from the commissioner; and

(7) a rifle may be possessed on private property when written permission has been granted by the owner of the property for the sole purpose of sighting in the rifle."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1114, A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; advance of matching funds; financing waterfowl development; defining "undressed bird"; regulating the taking of deer; regulating seasons on muskrat, mink, otter, and beaver; required license to take and condition of fish brought into the state from Canada; authorizing suspension of requirements upon action by Canadian authorities; amending Minnesota Statutes 1992, sections 84.085, by adding a subdivision; 97A.015, subdivision 49, and by adding a subdivision; 97A.045, subdivision 7; 97A.091, subdivision 2; 97A.531; 97B.005, subdivisions 2 and 3; 97B.041; 97B.071; 97B.621, subdivision 1; 97B.911; 97B.915; 97B.921; 975.925; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

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

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

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

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

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

## REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1259, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6, as amended.

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. 1259 was read for the second time.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 1420, A bill for an act relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institutionalized persons; amending Minnesota Statutes 1992, sections 525.54, subdivisions 1 and 3; 525.544, subdivision 2; 525.58, subdivision 4; and 525.703, subdivisions 2 and 3.

PATRICK E. FLAHAVER, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

McGuire moved that the House concur in the Senate amendments to H. F. No. 1420 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1420, A bill for an act relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institutionalized persons; amending Minnesota Statutes 1992, sections 525.54, subdivisions 1 and 3; 525.544, subdivision 2; 525.58, subdivision 4; and 525.703, subdivisions 2 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1720, A bill for an act relating to metropolitan government; requiring at least one member of metropolitan transit commission to be disabled user of transit system; amending Minnesota Statutes 1992, section 473.404, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Jefferson moved that the House concur in the Senate amendments to H. F. No. 1720 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1720, A bill for an act relating to metropolitan government; requiring one member of the metropolitan transit commission to be disabled user of transit system; amending Minnesota Statutes 1992, section 473.404, 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 121 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Blatz	Dawkins	Garcia	Holsten	Johnson, V.	Krueger
Anderson, R.	Brown, C.	Dehler	Goodno	Hugoson	Kahn	Lasley
Asch	Brown, K.	Delmont	Greenfield	Huntley	Kalis	Leppik
Battaglia	Carlson	Dempsey	Greiling	Jacobs	Kelley	Lieder
Bauerly	Carruthers	Dorn	Gruenes	Jaros	Kelso	Limner
Beard	Clark	Erhardt	Gutknecht	Jefferson	Kinkel	Lindner
Bergson	Cooper	Evans	Hasskamp	Jennings	Klinzing	Lourey
Bertram	Dauner	Farrell	Haukoos	Johnson, A.	Knickerbocker	Luther
Bettermann	Davids	Frerichs	Hausman	Johnson, R.	Koppendraye	Lynch

Macklin	Munger	Opatz	Peterson	Seagren	Tomassoni	Wenzel
Mahon	Murphy	Orenstein	Pugh	Sekhon	Tompkins	Winter
Mariani	Neary	Orfield	Reding	Simoneau	Trimble	Wolf
McCollum	Nelson	Osthoff	Rest	Skoglund	Tunheim	Spk. Long
McGuire	Ness	Ozment	Rhodes	Smith	Van Dellen	
Milbert	Olson, E.	Pauly	Rice	Sparby	Vellenga	
Molnau	Olson, K.	Pawlenty	Rodosovich	Stanius	Vickerman	
Morrison	Olson, M.	Pelowski	Rukavina	Steensma	Wagenius	
Mosel	Onnen	Perlt	Sarna	Swenson	Wejzman	

Those who voted in the negative were:

Abrams	Krinkie	Sviggum	Weaver	Workman
Girard	Ostrom	Waltman	Worke	

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

Madam Speaker:

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

H. F. No. 1749, 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; authorizing state bonding; appropriating money; amending Minnesota Statutes, section 16B.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 124C; and 137.

PATRICK E. FLAHAVERN, Secretary of the Senate

Kalis moved that the House refuse to concur in the Senate amendments to H. F. No. 1749, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1749:

Kalis, Solberg, Reding, Trimble and Bishop.

#### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of S. F. No. 1619.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Battaglia moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1619 be given its third reading and be placed upon its final passage. The motion prevailed.

Battaglia moved that the Rules of the House be so far suspended that S. F. No. 1619 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1619 was reported to the House.

Battaglia moved to amend S. F. No. 1619, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [97A.159] [1837 TREATY AREA AGREEMENT.]

Subdivision 1. [PURPOSE.] The purpose of this section is to resolve issues in dispute between the state of Minnesota and the Mille Lacs Band of Chippewa Indians that relate to hunting, fishing, and gathering in the ceded area described in the July 29, 1837, treaty between the Chippewa and the government of the Statutes at Large, volume 7, page 536. This treaty was proclaimed by the United States on June 15, 1838. The recognition of certain rights claimed by the band under this treaty has been sought in a civil action brought in the United States District Court for the District of Minnesota, Fourth Division, entitled Mille Lacs Band of Chippewa Indians, et al. v. State of Minnesota, et al., Civ. No. 4-90-605. The state desires to settle all outstanding matters relating to this dispute under the 1837 treaty as well as all issues arising from the band's rights to fish in the waters of Mille Lacs lake under the treaty made February 22, 1855, and proclaimed by the United States on April 7, 1855, Statutes at Large, volume 10, page 1165.

Subd. 2. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Amended settlement agreement" means the original settlement agreement as amended in accordance with subdivision 3.

(c) "Band" means the Mille Lacs Band of Chippewa Indians.

(d) "Band conservation code" means the band conservation code as defined in the original settlement agreement.

(e) "Harvest" means harvest as defined in the original settlement agreement.

(f) "Minnesota ceded territory" means the Minnesota ceded territory as defined in the original settlement agreement.

(g) "Original settlement agreement" means the document entitled "Settlement Agreement Between the Mille Lacs Band of Chippewa Indians and the State of Minnesota Regarding Treaty Hunting, Fishing, and Gathering Rights" on file and of record in the United States District Court for the District of Minnesota, Fourth Division, in the action entitled Mille Lacs Band of Chippewa Indians, et al. v. State of Minnesota, et al., Civ. No. 4-90-605.

(h) "Treaty fishing zone" or "zone" means the treaty fishing zone in Mille Lacs lake as defined in the original settlement agreement.

Subd. 3. [AUTHORITY TO ENTER INTO AMENDED SETTLEMENT AGREEMENT.] (a) The legislature authorizes the commissioner to enter into an amended settlement agreement with the Mille Lacs Band of Chippewa Indians consisting of the provisions of the original settlement agreement, as amended in accordance with paragraph (b).

(b) The amended settlement agreement must provide that:

(1) the treaty fishing zone exists solely to delineate the area of Mille Lacs lake in which the band may harvest game fish by spearing and netting in accordance with the band conservation code and does not affect activities of nonband members in the zone;

(2) the annual band harvest of game fish by spearing and netting in the treaty fishing zone is limited to seven percent of the total annual harvest of fish by species in Mille Lacs lake;

(3) 7,500 additional acres of public land will be transferred to the United States in trust for the band, for a total of 15,000 acres;

(4) before agreeing to the substitution of other waters for those specified in part IV, section B, paragraph 4, subparagraph c, of the original settlement agreement, relating to netting and spearing of game fish by band members,

the commissioner shall consult with the affected counties and with the chairs of the standing committees of the legislature having jurisdiction over natural resources; and

(5) the state and the band have until August 31, 1993, to ratify the amended settlement agreement.

Subd. 4. [NONBAND HARVEST UNDER BAND PERMIT.] In addition to existing nonband member harvest under state law, nonband members may harvest natural resources in the Minnesota ceded territory as permitted by the amended settlement agreement and the band conservation code.

Subd. 5. [COMMISSIONER'S POWERS AND DUTIES.] (a) Notwithstanding any other law to the contrary, the commissioner on behalf of the state, shall take all actions, by rule or otherwise, necessary to carry out the duties and obligations of the state arising from the amended settlement agreement whether or not specifically enumerated in this section.

(b) Powers of the commissioner granted in paragraph (a) include the following:

(1) the implementation of the exemption of members of the band from state laws relating to hunting, fishing, and the gathering of wild rice within the areas described in the amended settlement agreement, together with exemption from related possession and transportation laws, to the extent necessary to effectuate the terms of the amended settlement agreement;

(2) the establishment of policies, procedures, and rules for the enforcement by conservation officers of the band conservation code to the extent necessary to effectuate the terms of the amended settlement agreement;

(3) the conveyance of 15,000 acres of state land, including any interests in minerals owned by the state located thereon, to the band as provided in the amended settlement agreement;

(4) the condemnation of fee title, including mineral interests owned by the state, to state public lands as defined by chapter 92 for the purpose of conveying lands under the amended settlement agreement;

(5) upon request by a county, compensation of the county for the fair market value of lands or interests in land owned or managed by the county that are conveyed under clause (3); and

(6) upon request by a county, and within the limits of money appropriated for the purpose, compensation of the county for law enforcement and other costs incurred as a result of implementation of the amended settlement agreement, provided the commissioner determines the costs are reasonable.

Subd. 6. [AUTHORITY TO CONVEY CERTAIN LANDS; PAYMENTS IN LIEU OF TAXES.] (a) Notwithstanding any other law to the contrary, the commissioner may convey to the band, under subdivision 5, paragraph (b), clause (3), lands that border on public waters; lands acquired under chapter 282; lands owned in fee; lands owned in trust for local taxing districts; school trust lands; university trust lands; and game preserves, areas, and projects established under sections 84A.01, 84A.20, and 84A.31. When lands under the jurisdiction of the commissioner of revenue are selected, the commissioner of revenue shall convey title to those lands. Not more than 15 percent of the total lands transferred may be lands that are both held in trust for local taxing districts and administered by the counties.

(b) The commissioner shall continue to make payments in accordance with sections 97A.061 and 477A.11 to 477A.13, for lands conveyed under subdivision 5, paragraph (b), clause (3), at the rate for the type of land conveyed.

Subd. 7. [FUTURE APPROPRIATION NEEDS.] The commissioner shall prepare and submit to the governor for inclusion in the budget an itemization of the funds required to implement subdivision 5, paragraph (b), clauses (4) to (6).

Sec. 2. [APPROPRIATIONS.]

(a) \$8,600,000 is appropriated from the general fund to the commissioner of natural resources for payment to the Mille Lacs Band of Chippewa Indians.

(b) \$175,000 is appropriated from the general fund to the commissioner of natural resources for fiscal year 1994 and \$317,000 for fiscal year 1995 for land transfer costs under section 1. Any balance not expended in the first year does not cancel and is available for expenditure in the second year.

## Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. Section 2, paragraph (a), is effective 30 days after the effective date of the amended settlement agreement.

Delete the title and insert:

"A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A."

A roll call was requested and properly seconded.

The question was taken on the Battaglia amendment and the roll was called. There were 81 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Hasskamp	Kelso	Mosel	Pugh	Tomassoni
Anderson, I.	Clark	Hausman	Kinkel	Munger	Reding	Trimble
Anderson, R.	Commers	Huntley	Klinzing	Murphy	Rest	Tunheim
Asch	Dauner	Jacobs	Lasley	Neary	Rhodes	Vellenga
Battaglia	Dawkins	Jaros	Leppik	Olson, E.	Rice	Wagenius
Bauerly	Delmont	Jefferson	Lieder	Orenstein	Rodosovich	Wejzman
Beard	Dorn	Jennings	Lourey	Orfield	Rukavina	Winter
Bishop	Evans	Johnson, A.	Mahon	Ostrom	Sekhon	Wolf
Blatz	Farrell	Johnson, R.	Mariani	Pauly	Simoneau	Spk. Long
Brown, C.	Garcia	Kahn	McCollum	Pelowski	Skoglund	
Brown, K.	Greenfield	Kalis	McGuire	Perlt	Sparby	
Carlson	Greiling	Kelley	Milbert	Peterson	Steensma	

Those who voted in the negative were:

Bertram	Ferichs	Hugoson	Lindner	Ness	Sarna	Van Dellen
Bettermann	Girard	Johnson, V.	Luther	Olson, M.	Seagren	Vickerman
Cooper	Goodno	Knickerbocker	Lynch	Onnen	Smith	Waltman
Davids	Gruenes	Koppendrayser	Macklin	Opatz	Stanius	Weaver
Dehler	Gutknecht	Krinkie	Molnau	Osthoff	Sviggum	Wenzel
Dempsey	Haukoos	Krueger	Morrison	Ozment	Swenson	Worke
Erhardt	Holsten	Limmer	Nelson	Pawlenty	Tompkins	Workman

The motion prevailed and the amendment was adopted.

Battaglia moved to amend S. F. No. 1619, as amended, as follows:

Page 1, line 16, before "Statutes" insert "United States"

Page 3, delete lines 10 to 12 and insert:

"(i) consult with the chairs of the standing committees of the legislature having jurisdiction over natural resources;

(ii) allow the affected counties 60 days to review and comment on the proposed substitution; and

(iii) consider any comments of the counties in making a decision on the substitution;

(5) it is not the intent, through the amended settlement agreement, to either recognize or deny the present validity of the boundaries of the band's reservation as established by the treaty of February 22, 1855;

(6) it is not the intent, through the amended settlement agreement, to recognize, deny, or in any way alter the rights, if any, of any other signatory of the treaty of July 29, 1837;

(7) any revision of the amended settlement agreement must be ratified by:

(i) a resolution adopted by the band assembly and signed by the chief executive of the band; and

(ii) legislation enacted into law; and"

Page 3, line 13, delete "(5)" and insert "(8)"

Page 3, after line 19, insert:

"Subd. 5. [CONSTITUTIONALITY OF SETTLEMENT AGREEMENT REQUIRED.] The legislature intends that the amended settlement agreement conform with all state and federal constitutional requirements and federal and state law. The attorney general shall approve and certify that the amended settlement agreement complies with substantive and procedural state and federal constitutional requirements and federal and state law before the amended settlement agreement is submitted to the federal district court."

Renumber the remaining subdivisions in sequence

Page 4, after line 8, insert:

"(4) the acquisition, in accordance with subdivision 8, of resorts in the vicinity of the treaty fishing zone, and the retention, management, and resale of the acquired resorts;"

Renumber remaining clauses in sequence

Page 5, line 1, delete "(6)" and insert "(7), and subdivision 8"

Page 5, after line 1, insert:

"Subd. 8. [ACQUISITION OF RESORTS.] (a) The acquisition of resorts by the commissioner under subdivision 6, paragraph (b), clause (4), must be carried out in accordance with this subdivision. To qualify to have a resort acquired by the commissioner, the owner of the resort must comply with paragraphs (b) and (c).

(b) The resort owner must demonstrate to the commissioner that:

(1) the resort is riparian to Mille Lacs Lake and is located within section 2, 3, 4, 11, or 12, Township 42 North, Range 27 West, or sections 16, 17, 18, 21, 22, 27, 28, or 33, Township 43 North, Range 27 West;

(2) the resort was commercially operated by the owner in 1992 or 1993;

(3) an audit of the resort's financial statement demonstrates that revenue has substantially diminished as compared with years before 1993; and

(4) the diminishment of revenue is a result of the establishment of the treaty fishing zone in the vicinity of the resort.

(c) A resort owner must give notice of an intent to be considered for eligibility under this section to the commissioner in writing by December 1, 1993, and must submit a written request for acquisition of the resort to the commissioner by July 1, 1998.

(d) The price paid by the commissioner to acquire a resort under this subdivision must be the fair market value as of July 1, 1992, or as of the date of the resort owner's written request for acquisition under paragraph (c), whichever is greater.

(e) The purchase of resorts under this subdivision must be carried out in accordance with established procedures under applicable state and federal law.

(f) Notwithstanding section 477A.12, if the commissioner acquires a resort under this subdivision, the payments under sections 477A.11 to 477A.13 shall be in an amount equal to the taxes payable in 1993.

(g) The commissioner shall, within three years after the purchase of a resort under this subdivision, either: (1) use the area to provide public access to the lake; or (2) sell the resort. Section 92.45 does not apply to the sale of a resort under this paragraph."

The motion prevailed and the amendment was adopted.

Lourey moved to amend S. F. No. 1619, as amended, as follows:

Page 4, after line 33, insert:

"(c) A landowner residing on lakeshore waters specified in part IV, section B, paragraph 4, subparagraph C, of the original settlement agreement, may exchange his or her land with land owned by the commissioner of natural resources upon approval by the land exchange board."

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

Stanius and Koppendrayer moved to amend S. F. No. 1619, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.]

It is the intent of the legislature that the state honor all Indian rights existing under treaties with the federal government.

Sec. 2. [STATE TO SEEK DETERMINATION OF TREATY RIGHTS.]

The commissioner of natural resources and the attorney general shall seek a determination, from Congress or an appropriate federal court, of the hunting, fishing, and wild rice gathering rights of the signatory bands of Chippewa Indians within the area ceded to the United States in the 1837 Treaty with the Chippewa, Statutes at Large, volume 7, page 536."

Delete the title and insert:

"A bill for an act relating to natural resources; requiring the commissioner of natural resources and the attorney general to seek a determination of rights of the Mille Lacs Band of Chippewa Indians under the 1837 Treaty."

A roll call was requested and properly seconded.

The question was taken on the Stanius and Koppendrayer amendment and the roll was called. There were 58 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Beard	Frerichs	Johnson, V.	Lindner	Olson, M.	Seagren	Weaver
Bergson	Girard	Kelso	Lynch	Onnen	Smith	Wenzel
Bertram	Goodno	Klinzing	Macklin	Opatz	Sparby	Worke
Bettermann	Gruenes	Knickerbocker	Milbert	Osthoff	Stanuis	Workman
Cooper	Gutknecht	Koppendrayer	Molnau	Ozment	Svigum	
Davids	Haukoos	Krinkie	Morrison	Pawlenty	Swenson	
Dehler	Holsten	Krueger	Mosel	Perlt	Tompkins	
Dempsey	Hugoson	Leppik	Nelson	Rhodes	Vickerman	
Erhardt	Jacobs	Limmer	Ness	Sarna	Waltman	

Those who voted in the negative were:

Abrams	Clark	Greiling	Kelley	Munger	Reding	Tunheim
Anderson, I.	Commers	Hausman	Kinkel	Murphy	Rest	Van Dellen
Asch	Dauner	Huntley	Lasley	Neary	Rodosovich	Vellenga
Battaglia	Dawkins	Jaros	Lieder	Olson, E.	Rukavina	Wagenius
Bishop	Delmont	Jefferson	Lourey	Orenstein	Sekhon	Wejcmán
Blatz	Dorn	Jennings	Luther	Orfield	Skoglund	Welle
Brown, C.	Evans	Johnson, A.	Mahon	Ostrom	Solberg	Winter
Brown, K.	Farrell	Johnson, R.	Mariani	Pauly	Steensma	Wolf
Carlson	Garcia	Kahn	McCollum	Pelowski	Tomassoni	Spk. Long
Carruthers	Greenfield	Kalis	McGuire	Peterson	Trimble	

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

Stanuis; Worke; Johnson, V.; Holsten and Koppendrayer moved to amend S. F. No. 1619, as amended, as follows:

Page 2, line 32, delete "and netting"

Page 2, lines 35 and 36, delete "and netting"

Page 3, after line 2, insert:

"(3) band members may harvest fish by netting in Mille Lacs lake only to the extent allowed for nonband members;"

Page 3, line 3, delete "(3)" and insert "(4)"

Page 3, line 6, delete "(4)" and insert "(5)"

Page 3, line 13, delete "(5)" and insert "(6)"

A roll call was requested and properly seconded.

The question was taken on the Stanuis et al amendment and the roll was called.

#### POINT OF ORDER

Krinkie raised a point of order pursuant to rule 4.08 relating to people remaining by the Chief Clerk's desk while the yeas and nays are being called. The Speaker ruled the point of order well taken.

There were 66 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Bauerly	Dempsey	Jacobs	Leppik	Nelson	Rhodes	Vickerman
Beard	Erhardt	Jennings	Limmer	Ness	Sarna	Waltman
Bergson	Frerichs	Johnson, A.	Lindner	Olson, M.	Seagren	Weaver
Bertram	Girard	Johnson, V.	Luther	Onnen	Smith	Wenzel
Bettermann	Goodno	Kelso	Lynch	Opatz	Stanius	Worke
Carruthers	Gruenes	Klinzing	Macklin	Osthoff	Steensma	Workman
Cooper	Gutknecht	Knickerbocker	Mahon	Ozment	Sviggum	
Dauner	Haukoos	Koppendrayer	Milbert	Pawlenty	Swenson	
Davids	Holsten	Krinkie	Molnau	Perlt	Tompkins	
Dehler	Hugoson	Krueger	Mosel	Pugh	Van Dellen	

Those who voted in the negative were:

Abrams	Commers	Huntley	Lourey	Orenstein	Rukavina	Wagenius
Anderson, I.	Dawkins	Jaros	Mariani	Orfield	Sekhon	Wejzman
Anderson, R.	Dorn	Jefferson	McCollum	Ostrom	Simoneau	Welle
Battaglia	Evans	Johnson, R.	McGuire	Pauly	Skoglund	Winter
Bishop	Farrell	Kahn	Morrison	Pelowski	Solberg	Wolf
Blatz	Garcia	Kalis	Munger	Peterson	Sparby	Spk. Long
Brown, C.	Greenfield	Kelley	Murphy	Reding	Tomassoni	
Brown, K.	Greiling	Kinkel	Neary	Rest	Trimble	
Carlson	Hasskamp	Lasley	Olson, E.	Rice	Tunheim	
Clark	Hausman	Lieder	Olson, K.	Rodosovich	Vellenga	

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

Sparby was excused between the hours of 2:50 p.m. and 5:25 p.m.

Stanius; Koppendrayer; Johnson, V., and Seagren moved to amend S. F. No. 1619, as amended, as follows:

Page 3, after line 5, insert:

"(4) the commissioner shall obtain legislative approval before conveying land within a state park to the band."

Page 3, line 6, delete "(4)" and insert "(5)"

Page 3, line 13, delete "(5)" and insert "(6)"

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called. There were 96 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Haukoos	Limmer	Nelson	Pugh	Tompkins
Anderson, I.	Dauner	Holsten	Lindner	Ness	Reding	Tunheim
Anderson, R.	Davids	Hugoson	Luther	Olson, K.	Rest	Van Dellen
Asch	Dehler	Jacobs	Lynch	Olson, M.	Rhodes	Vickerman
Bauerly	Delmont	Johnson, V.	Macklin	Onnen	Rodosovich	Waltman
Beard	Dempsey	Kalis	McCollum	Opatz	Sarna	Weaver
Bergson	Dorn	Kelley	McGuire	Orenstein	Seagren	Welle
Bertram	Erhardt	Kelso	Milbert	Osthoff	Simoneau	Wenzel
Bettermann	Farrell	Klinzing	Molnau	Ostrom	Smith	Winter
Blatz	Frerichs	Knickerbocker	Morrison	Ozment	Solberg	Wolf
Brown, K.	Girard	Koppendrayer	Mosel	Pawlenty	Stanius	Worke
Carlson	Goodno	Krinkie	Munger	Pelowski	Steensma	Workman
Carruthers	Gruenes	Krueger	Murphy	Perlt	Sviggum	
Commers	Gutknecht	Leppik	Neary	Peterson	Swenson	

Those who voted in the negative were:

Battaglia	Evans	Huntley	Kinkel	Mariani	Rukavina	Vellenga
Bishop	Garcia	Jaros	Lasley	Olson, E.	Sekhon	Wagenius
Brown, C.	Greenfield	Jefferson	Lieder	Orfield	Skoglund	Wejzman
Clark	Greiling	Jennings	Lourey	Pauly	Tomassoni	Spk. Long
Dawkins	Hausman	Kahn	Mahon	Rice	Trimble	

The motion prevailed and the amendment was adopted.

Stanius and Koppendrayer moved to amend S. F. No. 1619, as amended, as follows:

Page 5, after line 1, insert:

"Subd. 8. [OJIBWE CONSERVATION CODE.] The Conservation Code of the Mille Lacs Band of Ojibwe Indians for the Minnesota Ceded Territory is enacted as part of Minnesota law effective upon the issuance of the federal district court order that recognizes the approval by the band and the Minnesota legislature of the treaty agreement that is the subject of this section. The code shall be codified in Minnesota Statutes. Like changes to other Minnesota law, changes to the code that are adopted after the issuance of the order shall take effect when they are enacted as changes to Minnesota statute."

A roll call was requested and properly seconded.

The question was taken on the Stanius and Koppendrayer amendment and the roll was called. There were 34 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Bertram	Erhardt	Gutknecht	Knickerbocker	Molnau	Ozment	Vickerman
Bettermann	Frerichs	Haukoos	Koppendrayer	Morrison	Smith	Waltman
Davids	Girard	Holsten	Krinkie	Ness	Stanius	Worke
Dehler	Goodno	Hugoson	Limmer	Olson, M.	Swenson	Workman
Dempsey	Gruenes	Johnson, V.	Lindner	Onnen	Tompkins	

Those who voted in the negative were:

Abrams	Clark	Huntley	Leppik	Nelson	Reding	Tomassoni
Anderson, I.	Commers	Jacobs	Lieder	Olson, E.	Rest	Trimble
Anderson, R.	Cooper	Jaros	Lourey	Olson, K.	Rhodes	Tunheim
Asch	Dauner	Jefferson	Luther	Opatz	Rice	Van Dellen
Battaglia	Dawkins	Jennings	Lynch	Orenstein	Rodosovich	Vellenga
Bauerly	Delmont	Johnson, A.	Macklin	Orfield	Rukavina	Wagenius
Beard	Dorn	Kahn	Mahon	Osthoff	Sarna	Weaver
Bergson	Evans	Kalis	McCollum	Ostrom	Seagren	Wejzman
Bishop	Farrell	Kelley	McGuire	Pauly	Sekhon	Welle
Blatz	Garcia	Kelso	Milbert	Pawlenty	Simoneau	Wenzel
Brown, C.	Greenfield	Kinkel	Mosel	Pelowski	Skoglund	Winter
Brown, K.	Greiling	Klinzing	Munger	Perlt	Solberg	Wolf
Carlson	Hasskamp	Krueger	Murphy	Peterson	Steensma	Spk. Long
Carruthers	Hausman	Lasley	Neary	Pugh	Sviggum	

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

Stanius, Koppendrayer, Sviggum and Johnson, V., moved to amend S. F. No. 1619, as amended, as follows:

Page 3, line 12, after the semicolon insert:

"(5) the band harvest by net of walleyes during the ice-free period may not begin until walleyes have finished spawning or the opening of the state walleye season, whichever is earlier;"

Page 3, line 13, delete "(5)" and insert "(6)"

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called. There were 70 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Leppik	Nelson	Pugh	Swenson
Anderson, R.	Dempsey	Jacobs	Limmer	Ness	Reding	Tompkins
Asch	Erhardt	Johnson, A.	Lindner	Olson, K.	Rhodes	Van Dellen
Beard	Frerichs	Johnson, V.	Luther	Olson, M.	Sarna	Vickerman
Bergson	Girard	Kelso	Lynch	Onnen	Seagren	Waltman
Bertram	Goodno	Klinzing	Macklin	Opatz	Simoneau	Weaver
Bettermann	Gruenes	Knickerbocker	Milbert	Osthoff	Smith	Welle
Carruthers	Gutknecht	Koppendrayer	Molnau	Ozment	Stanius	Wenzel
Dauner	Haukoos	Krinkie	Morrison	Pawlenty	Steensma	Worke
Davids	Holsten	Krueger	Mosel	Perlt	Sviggum	Workman

Those who voted in the negative were:

Anderson, I.	Cooper	Hasskamp	Kinkel	Murphy	Rest	Tunheim
Battaglia	Dawkins	Hausman	Lasley	Neary	Rice	Vellenga
Bishop	Delmont	Huntley	Lieder	Olson, E.	Rodosovich	Wagenius
Blatz	Dorn	Jaros	Lourey	Orenstein	Rukavina	Wejcman
Brown, C.	Evans	Jefferson	Mahon	Orfield	Sekhon	Winter
Brown, K.	Farrell	Jennings	Mariani	Ostrom	Skoglund	Wolf
Carlson	Garcia	Kahn	McCollum	Pauly	Solberg	Spk. Long
Clark	Greenfield	Kalis	McGuire	Pelowski	Tomassoni	
Commers	Greiling	Kelley	Munger	Peterson	Trimble	

The motion prevailed and the amendment was adopted.

Stanius, Koppendrayer, Holsten and Johnson, V., moved to amend S. F. No. 1619, as amended, as follows:

Page 3, after line 14, insert:

"(c) Lands transferred to the band under the amended settlement agreement are subject to state environmental and natural resource protection laws after the transfer including water, solid waste, hazardous waste, and radioactive waste laws; groundwater and wetland protection laws; and laws relating to the requirement of environmental assessment worksheets and impact statements."

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called. There were 42 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Bertram	Erhardt	Haukoos	Limmer	Ness	Smith	Vickerman
Bettermann	Frerichs	Holsten	Lindner	Olson, M.	Stanius	Waltman
Cooper	Girard	Hugoson	Milbert	Onnen	Sviggum	Weaver
Davids	Goodno	Johnson, V.	Molnau	Opatz	Swenson	Wolf
Dehler	Gruenes	Knickerbocker	Morrison	Ozment	Tompkins	Worke
Dempsey	Gutknecht	Koppendraye	Mosel	Pawlenty	Van Dellen	Workman

Those who voted in the negative were:

Abrams	Carruthers	Hausman	Krinkie	Nelson	Rhodes	Tunheim
Anderson, I.	Clark	Huntley	Krueger	Olson, E.	Rice	Vellenga
Anderson, R.	Commers	Jacobs	Lasley	Olson, K.	Rodosovich	Wagenius
Asch	Dauner	Jaros	Leppik	Orenstein	Rukavina	Wejzman
Battaglia	Dawkins	Jefferson	Lieder	Orfield	Sarna	Welle
Bauerly	Delmont	Jennings	Lourey	Ostrom	Seagren	Wenzel
Beard	Dorn	Johnson, A.	Luther	Pauly	Sekhon	Winter
Bergson	Evans	Kahn	Lynch	Pelowski	Simoneau	Spk. Long
Bishop	Farrell	Kalis	Macklin	Perlt	Skoglund	
Blatz	Garcia	Kelley	McCollum	Peterson	Solberg	
Brown, C.	Greenfield	Kelso	McGuire	Pugh	Steensma	
Brown, K.	Greiling	Kinkel	Murphy	Reding	Tomassoni	
Carlson	Hasskamp	Klinzing	Neary	Rest	Trimble	

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

Farrell and Orfield moved to amend S. F. No. 1619, as amended by the Stanius, Koppendraye, Sviggum and Johnson, V., amendment, as follows:

Page 1, line 7 of the Stanius, Koppendraye, Sviggum and Johnson, V., amendment, after "earlier" insert ", except that this clause does not limit band members in the exercise of their spiritual and cultural beliefs"

A roll call was requested and properly seconded.

Osthoff moved to amend the Farrell and Orfield amendment to S. F. No. 1619, as amended by the Stanius, Koppendraye, Sviggum and Johnson, V., amendment, as follows:

Page 1, line 5 of the Farrell and Orfield amendment, after "beliefs" insert "in the taking of fish by spear".

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 65 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Bettermann	Dempsey	Gruenes	Jacobs	Knickerbocker	Lindner
Asch	Cooper	Erhardt	Gutknecht	Johnson, A.	Koppendraye	Lynch
Beard	Dauner	Frerichs	Haukoos	Johnson, V.	Krinkie	Macklin
Bergson	Davids	Girard	Holsten	Kelso	Krueger	Mahon
Bertram	Dehler	Goodno	Hugoson	Klinzing	Limmer	Milbert

Molnau	Onnen	Perlt	Seagren	Sviggum	Waltman
Morrison	Opatz	Pugh	Simoneau	Swenson	Weaver
Mosel	Osthoff	Reding	Smith	Tompkins	Wenzel
Ness	Ozment	Rhodes	Stanius	Van Dellen	Worke
Olson, M.	Pawlenty	Sarna	Steensma	Vickerman	Workman

Those who voted in the negative were:

Abrams	Clark	Hausman	Lasley	Neary	Rest	Vellenga
Anderson, R.	Commers	Huntley	Leppik	Nelson	Rice	Wagenius
Battaglia	Dawkins	Jaros	Lieder	Olson, E.	Rodosovich	Wejzman
Bauerly	Delmont	Jefferson	Lourey	Olson, K.	Rukavina	Welle
Bishop	Dorn	Jennings	Luther	Orenstein	Sekhon	Winter
Blatz	Evans	Johnson, R.	Mariani	Orfield	Skoglund	Wolf
Brown, C.	Farrell	Kahn	McCollum	Ostrom	Solberg	Spk. Long
Brown, K.	Garcia	Kalis	McGuire	Pauly	Tomassoni	
Carlson	Greenfield	Kelley	Munger	Pelowski	Trimble	
Carruthers	Greiling	Kinkel	Murphy	Peterson	Tunheim	

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

#### POINT OF ORDER

Stanius raised a point of order pursuant to section 398 of "Mason's Manual of Legislative Procedure" relating to decisions on amendments as final. The Speaker ruled the point of order not well taken.

The question recurred on the Farrell and Orfield amendment and the roll was called. There were 67 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Hausman	Lasley	Neary	Rhodes	Tunheim
Anderson, R.	Commers	Huntley	Leppik	Olson, E.	Rice	Vellenga
Battaglia	Cooper	Jaros	Lieder	Olson, K.	Rodosovich	Wagenius
Bauerly	Dawkins	Jefferson	Lourey	Orenstein	Rukavina	Wejzman
Bishop	Dorn	Jennings	Luther	Orfield	Sekhon	Winter
Blatz	Evans	Johnson, R.	Mariani	Ostrom	Simoneau	Wolf
Brown, C.	Farrell	Kahn	McCollum	Pauly	Skoglund	Spk. Long
Brown, K.	Garcia	Kelley	McGuire	Pelowski	Solberg	
Carlson	Greenfield	Kelso	Munger	Peterson	Tomassoni	
Carruthers	Greiling	Kinkel	Murphy	Rest	Trimble	

Those who voted in the negative were:

Anderson, I.	Dempsey	Jacobs	Lindner	Olson, M.	Seagren	Weaver
Asch	Erhardt	Johnson, A.	Lynch	Onnen	Smith	Welle
Beard	Frerichs	Johnson, V.	Macklin	Opatz	Stanius	Wenzel
Bergson	Girard	Kalis	Mahon	Osthoff	Steensma	Worke
Bertram	Goodno	Klinzing	Milbert	Ozment	Sviggum	Workman
Bettermann	Gruenes	Knickerbocker	Molnau	Pawlenty	Swenson	
Dauner	Gutknecht	Koppendrayner	Morrison	Perlt	Tompkins	
Davids	Haukoos	Krinkie	Mosel	Pugh	Van Dellen	
Dehler	Holsten	Krueger	Nelson	Reding	Vickerman	
Delmont	Hugoson	Limmer	Ness	Sarna	Waltman	

The motion prevailed and the amendment was adopted.

The Speaker called Bauerly to the Chair.

Rukavina moved to amend S. F. No. 1619, as amended, as follows:

Page 2, after line 34, insert:

"(2) an additional zone where spearing, but not netting, of game fish by band members is permitted in accordance with the band conservation code is created to include the waters of Mille Lacs lake within 500 feet of the shore beginning at the point where the north township line of Township 43 North, Range 27 West, intersects the west shore of Mille Lacs lake; thence south and east to a point where the north township line of Township 42 North, Range 25 West, intersects the east shore of Mille Lacs lake, but not including the treaty fishing zone;"

Page 2, line 35, delete "(2)" and insert "(3)" and after "the" insert "total"

Page 2, line 36, after "zone" insert "and the zone described in clause (2)"

Page 3, line 3, delete "(3)" and insert "(4)"

Page 3, line 6, delete "(4)" and insert "(5)"

Page 3, line 13, delete "(5)" and insert "(6)"

A roll call was requested and properly seconded.

The question was taken on the Rukavina amendment and the roll was called. There were 19 yeas and 110 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Clark	Hausman	Johnson, R.	Mariani	Sekhon	Wagenius
Battaglia	Greenfield	Huntley	Kahn	Murphy	Tomassoni	
Brown, C.	Greiling	Jaros	Kinkel	Rukavina	Trimble	

Those who voted in the negative were:

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

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

Ness; Osthoff; Bertram; Johnson V.; Seagren; Bettermann; Koppendraye and Girard moved to amend S. F. No. 1619, as amended, as follows:

Page 4, after line 33, insert:

"(c) The authority of the commissioner under paragraph (a) to convey lands that border public waters does not include the authority to convey lands that constitute public access to Mille Lacs lake on the day of final enactment of this act."

A roll call was requested and properly seconded.

The question was taken on the Ness et al amendment and the roll was called. There were 104 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hugoson	Lieder	Nelson	Pugh	Tomassoni
Anderson, I.	Davids	Jacobs	Limmer	Ness	Reding	Tompkins
Anderson, R.	Dehler	Jennings	Lindner	Olson, E.	Rest	Tunheim
Asch	Dempsey	Johnson, A.	Lourey	Olson, K.	Rhodes	Van Dellen
Bauerly	Dorn	Johnson, R.	Luther	Olson, M.	Rodosovich	Vickerman
Beard	Erhardt	Johnson, V.	Lynch	Onnen	Sarna	Waltman
Bergson	Evans	Kelso	Macklin	Opatz	Seagren	Weaver
Bertram	Farrell	Kinkel	Mahon	Orfield	Simoneau	Wejcman
Bettermann	Frerichs	Klinzing	McCollum	Osthoff	Skoglund	Welle
Blatz	Girard	Knickerbocker	Milbert	Ostrom	Smith	Wenzel
Brown, K.	Goodno	Koppendraye	Molnau	Ozment	Solberg	Winter
Carlson	Gruenes	Krinkie	Morrison	Pawlenty	Stanius	Wolf
Carruthers	Gutknecht	Krueger	Mosel	Pelowski	Steensma	Worke
Commers	Haukoos	Lasley	Munger	Perlt	Sviggum	Workman
Cooper	Holsten	Leppik	Neary	Peterson	Swenson	

Those who voted in the negative were:

Battaglia	Dawkins	Hausman	Kahn	McGuire	Rukavina	Wagenius
Bishop	Delmont	Huntley	Kalis	Murphy	Sekhon	
Brown, C.	Greenfield	Jaros	Kelley	Orenstein	Trimble	
Clark	Greiling	Jefferson	Mariani	Pauly	Vellenga	

The motion prevailed and the amendment was adopted.

Ness; Osthoff; Bertram; Johnson, V.; Girard; Koppendraye; Bettermann and Seagren moved to amend S. F. No. 1619, as amended, as follows:

Page 3, line 3, after "land" insert ", excluding county park land"

Page 4, line 2, after "land," insert "excluding county park land,"

A roll call was requested and properly seconded.

The question was taken on the Ness et al amendment and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Battaglia	Beard	Bertram	Bishop	Brown, C.
Anderson, I.	Asch	Bauerly	Bergson	Bettermann	Blatz	Brown, K.

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

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Ness, Osthoff, Pawlenty and Bertram moved to amend S. F. No. 1619, as amended, as follows:

Page 4, line 2, after "(3)" insert "if approved by the commissioner of administration,"

Page 4, line 5, after "(4)" insert "if approved by the commissioner of administration,"

Page 4, line 19, after "contrary," insert "if approved by the commissioner of administration,"

A roll call was requested and properly seconded.

The question was taken on the Ness et al amendment and the roll was called. There were 51 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Gutknecht	Krinkie	Ness	Smith	Weaver
Bergson	Dehler	Haukoos	Krueger	Olson, M.	Stanius	Worke
Bertram	Dempsey	Holsten	Leppik	Onnen	Sviggum	Workman
Bettermann	Erhardt	Hugoson	Limmer	Osthoff	Swenson	
Blatz	Frerichs	Johnson, A.	Lindner	Ozment	Tompkins	
Commers	Girard	Johnson, V.	Luther	Pawlenty	Van Dellen	
Cooper	Goodno	Knickerbocker	Macklin	Rhodes	Vickerman	
Dauner	Gruenes	Koppendraye	Molnau	Seagren	Waltman	

Those who voted in the negative were:

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

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

Lourey moved to amend S. F. No. 1619, as amended, as follows:

Page 4, after line 33, insert:

"(c) The commissioner shall provide information to landowners residing on lakeshore waters specified in part IV, section B, paragraph 4, subparagraph C, of the original settlement agreement, on the settlement agreement and options available under existing law, including, but not limited to, exchanging a landowner's land with state land upon the landowner's request and upon approval of the land exchange board."

A roll call was requested and properly seconded.

The question was taken on the Lourey amendment and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hasskamp

The motion prevailed and the amendment was adopted.

S. F. No. 1619 was read for the third time, as amended.

#### CALL OF THE HOUSE

On the motion of Stanius and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Bauerly	Bishop	Carruthers	Davids	Dorn	Garcia
Anderson, I.	Beard	Blatz	Clark	Dawkins	Erhardt	Girard
Anderson, R.	Bergson	Brown, C.	Commers	Dehler	Evans	Goodno
Asch	Bertram	Brown, K.	Cooper	Delmont	Farrell	Greenfield
Battaglia	Bettermann	Carlson	Dauner	Dempsey	Frerichs	Greiling

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

Anderson, I., 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.

S. F. No. 1619, A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; resort acquisition; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Jaros	Lourey	Orenstein	Sekhon	Welle
Anderson, R.	Dawkins	Jefferson	Mariani	Orfield	Skoglund	Winter
Battaglia	Dorn	Jennings	McCollum	Ostrom	Solberg	Wolf
Bishop	Evans	Johnson, R.	McGuire	Pauly	Sparby	Spk. Long
Blatz	Farrell	Kahn	Morrison	Pelowski	Tomassoni	
Brown, C.	Garcia	Kelley	Munger	Peterson	Trimble	
Brown, K.	Greenfield	Kinkel	Murphy	Rhodes	Tunheim	
Carlson	Greiling	Lasley	Neary	Rice	Vellenga	
Carruthers	Hausman	Leppik	Olson, E.	Rodosovich	Wagenius	
Clark	Huntley	Lieder	Olson, K.	Rukavina	Wejcmán	

Those who voted in the negative were:

Anderson, I.	Dehler	Haukoos	Koppendraye	Molnau	Perlt	Sviggum
Asch	Delmont	Holsten	Krinkie	Mosel	Pugh	Swenson
Bauerly	Dempsey	Hugoson	Krueger	Nelson	Reding	Tompkins
Beard	Erhardt	Jacobs	Limmer	Ness	Rest	Van Dellen
Bergson	Frerichs	Johnson, A.	Lindner	Olson, M.	Sarna	Vickerman
Bertram	Girard	Johnson, V.	Luther	Onnen	Seagren	Waltman
Bettermann	Goodno	Kalis	Lynch	Opatz	Simoneau	Weaver
Cooper	Gruenes	Kelso	Macklin	Osthoff	Smith	Wenzel
Dauner	Gutknecht	Klinzing	Mahon	Ozment	Stanius	Worke
Davids	Hasskamp	Knickerbocker	Milbert	Pawlenty	Steensma	Workman

The bill was not passed, as amended.

## CALL OF THE HOUSE LIFTED

Simoneau moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bill as a Special Order to be acted upon immediately preceding printed Special Orders for today, Monday, May 3, 1993:

H. F. No. 571.

## SPECIAL ORDERS

H. F. No. 571 was reported to the House.

Greiling, Vellenga, Carlson, Abrams, Knickerbocker, Seagren, Kelso and Bauerly moved to amend H. F. No. 571, as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 124A.029, subdivision 4, is amended to read: ...

Subd. 4. [PER PUPIL REVENUE OPTION.] A district may, by school board resolution, request that the department convert the levy authority under section 124.912, subdivisions 2 and 3, or its current referendum revenue, excluding authority based on a dollar amount, authorized before July 1, ~~1994~~ 1993, to an allowance per pupil. The district must adopt a resolution and submit a copy of the resolution to the department by July 1, ~~1992~~ 1993. The department shall convert a district's revenue for fiscal year ~~1994~~ 1995 and later years as follows: the revenue allowance equals the amount determined by dividing the district's maximum revenue under section 124A.03 or 124.912, subdivisions 2 and 3, for fiscal year ~~1993~~ 1994 by the district's ~~1992-1993~~ 1993-1994 actual pupil units. A district's maximum revenue for all later years for which the revenue is authorized equals the revenue allowance times the district's actual pupil units for that year. If a district has referendum authority under section 124A.03 and levy authority under section 124.912, subdivisions 2 and 3, and the district requests that each be converted, the department shall convert separate revenue allowances for each. However, if a district's referendum revenue is limited to a dollar amount, the maximum revenue under section 124A.03 must not exceed that dollar amount. If the referendum authority of a district is converted according to this subdivision, the authority expires ~~July 1, 1997~~ June 30, 1999, unless it is scheduled to expire sooner."

Page 1, line 6, delete "Section 1." and insert "Sec. 2."

Page 1, line 20, delete "2" and insert "3"

Page 1, line 21, delete "This section" and insert "Section 1 is effective the day following final enactment. Section 2"

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Van Dellen moved to amend H. F. No. 571, as amended, as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 127.15, is amended to read:

127.15 [DEALING IN SCHOOL SUPPLIES.]

Except as provided for in sections 471.87 and 471.88, no teacher in the public schools, nor any state, county, town, city, or district school officer, including any superintendent of schools, or any member of any school board, nor any person connected with the public school system in any capacity, shall be interested directly or indirectly in the sale, proceeds, or profits of any book, apparatus, or furniture used, or to be used, in any school with which the person is connected in any official capacity. Any person violating any of the provisions of this section shall forfeit not less than \$50, nor more than \$200 for each such offense. This section shall not apply to a person who may have an interest in the sale of any book of which that person is the author. Nothing in this section shall prohibit the spouse of an employee or officer covered by this section from contracting for the sale or lease of books, apparatus, furniture, or other supplies to be used in a school district with which the employee or officer is connected in any official capacity, as long as the employee's or officer's position does not involve approving contracts for supplies and the school board unanimously approves the transaction."

Page 1, line 21, delete "this section is" and insert "sections 1 and 2 are"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to education; authorizing certain contracts with school board members and with the spouses of school district employees; amending Minnesota Statutes 1992, sections 127.15; and 471.88, by adding a subdivision."

The motion prevailed and the amendment was adopted.

Simoneau was excused for the remainder of today's session.

Tunheim moved to amend H. F. No. 571, as amended, as follows:

Page 1, line 14, delete "\$5,000" and insert "\$20,000"

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

H. F. No. 571, A bill for an act relating to education; extending dates for per pupil revenue option; authorizing certain contracts with school board members and with the spouses of school district employees; amending Minnesota Statutes 1992, sections 124A.029, subdivision 4; 127.15; and 471.88, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Battaglia	Beard	Betterman	Brown, K.	Carruthers
Anderson, I.	Asch	Bauerly	Bertram	Blatz	Carlson	Clark

Commers	Gutknecht	Kalis	Lynch	Opatz	Seagren	Vickerman
Cooper	Hasskamp	Kelley	Macklin	Orenstein	Sekhon	Wagenius
Dauner	Haukoos	Kelso	Mahon	Orfield	Skoglund	Waltman
Dehler	Hausman	Kinkel	McCollum	Osthoff	Solberg	Weaver
Delmont	Holsten	Klinzing	McGuire	Ostrom	Sparby	Wejzman
Dempsey	Hugoson	Knickerbocker	Milbert	Ozment	Stanius	Welle
Dorn	Huntley	Koppendrayer	Molnau	Pawlenty	Steenma	Wenzel
Erhardt	Jacobs	Krinkie	Morrison	Perlt	Sviggum	Winter
Evans	Jaros	Krueger	Mosel	Peterson	Swenson	Worke
Farrell	Jefferson	Leppik	Munger	Pugh	Tomassoni	Workman
Frerichs	Jennings	Lieder	Murphy	Reding	Tompkins	Spk. Long
Garcia	Johnson, A.	Limmer	Neary	Rhodes	Trimble	
Girard	Johnson, R.	Lindner	Nelson	Rodosovich	Tunheim	
Greenfield	Johnson, V.	Lourey	Ness	Rukavina	Van Dellen	
Greiling	Kahn	Luther	Olson, E.	Sarna	Vellenga	

Those who voted in the negative were:

Brown, C.	Goodno	Lasley	Olson, M.	Pelowski	Wolf
Davids	Gruenes	Olson, K.	Onnen	Smith	

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

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

## GENERAL ORDERS

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

## MOTIONS AND RESOLUTIONS

Dempsey moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Thursday, April 29, 1993, when the vote was taken on the Workman amendment to H. F. No. 671, the second engrossment, as amended." The motion prevailed.

Dempsey moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Wednesday, April 28, 1993, when the vote was taken on the final passage of H. F. No. 1199, as amended." The motion prevailed.

Hasskamp moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Wednesday, April 28, 1993, when the vote was taken on the final passage of H. F. No. 1199, as amended." The motion prevailed.

Kalis moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the Dehler amendment to H. F. No. 1178, the third engrossment, as amended." The motion prevailed.

Ozment moved that H. F. No. 342 be returned to its author. The motion prevailed.

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 287:

Wagenius, Ozment, Rukavina, Hausman and Pauly.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 546:

Waltman, Munger and Pauly.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1201:

Asch, Pugh and Davids.

## ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Tuesday, May 4, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Tuesday, May 4, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTIETH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 4, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Pastor Mike Ryan, Youth Pastor, Calvary Baptist Church, Lake City, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Mariani was excused.

Jennings was excused until 9:50 a.m. Bishop and Sparby were excused until 10:30 a.m.

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

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 30, 1993

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

Dear Speaker Long:

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

H. F. No. 846, relating to civil commitment; authorizing new procedures for return of certain patients who are absent from treatment facilities without authorization.

H. F. No. 801, relating to traffic regulations; requiring operating procedures for hand-held traffic radar.

H. F. No. 79, relating to courts; grandparent visitation; clarifying that visitation may be sought after completion of proceedings for dissolution, custody, legal separation, annulment, or parentage.

H. F. No. 461, relating to local government; authorizing cities to offer rewards for information leading to the apprehension and charging or conviction of alleged felons.

H. F. No. 70, relating to state lands; authorizing a conveyance to the city of St. Cloud of certain land owned by the state as a part of St. Cloud State University.

H. F. No. 661, relating to agriculture; regulating dairy trade practices and minimum pricing; abolishing the Dairy Industry Unfair Trade Practices Act; changing enforcement procedures; imposing an assessment on certain class I milk; appropriating money; providing penalties.

H. F. No. 806, relating to commerce; prohibiting smoking in designated nonsmoking hotel rooms; allowing reimbursement to innkeepers for actual costs resulting from violation; prescribing a penalty.

H. F. No. 1423, relating to unemployment compensation; modifying definitions; changing provisions relating to eligibility for and administration of unemployment compensation.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</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>1993</i>	<i>Date Filed</i> <i>1993</i>
	846	60	3:23 p.m. April 30	April 30
	801	61	3:24 p.m. April 30	April 30
	79	62	3:45 p.m. April 30	April 30
	461	63	3:27 p.m. April 30	April 30
	70	64	3:28 p.m. April 30	April 30
	661	65	3:03 p.m. April 30	April 30
	806	66	3:32 p.m. April 30	April 30
	1423	67	3:35 p.m. April 30	April 30
270		68	3:25 p.m. April 30	April 30
483		69	3:05 p.m. April 30	April 30
568		70	3:22 p.m. April 30	April 30

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 1749, 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; authorizing state

bonding; appropriating money; amending Minnesota Statutes, section 16B.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 124C, and 137.

The Senate has appointed as such committee:

Messrs. Merriam, Vickerman, Larson, Riveness and Kelly.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 134, A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; modifying the definition of practice of medicine; amending Minnesota Statutes 1992, sections 147.081, subdivision 3; 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Vellenga moved that the House concur in the Senate amendments to H. F. No. 134 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 134, A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring health professionals to report occurrences of adverse reactions resulting from optometrist's prescription of topical legend drugs; requiring reports; modifying the definition of practice of medicine; amending Minnesota Statutes 1992, sections 147.081, subdivision 3; 147.111, subdivision 4; 148.57, subdivision 3; 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

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 105 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Jaros	Lieder	Neary	Pugh	Tomassoni
Anderson, R.	Dehler	Jefferson	Limmer	Nelson	Reding	Tunheim
Battaglia	Dempsey	Johnson, A.	Lindner	Ness	Rest	Vellenga
Bauerly	Evans	Johnson, R.	Lourey	Olson, K.	Rice	Vickerman
Beard	Frerichs	Johnson, V.	Luther	Ornen	Rodosevich	Wagenius
Bergson	Garcia	Kahn	Lynch	Opatz	Rukavina	Waltman
Bertram	Goodno	Kalis	Macklin	Orenstein	Sarna	Weaver
Bettermann	Greiling	Kelley	Mahon	Orfield	Sekhon	Wejckman
Blatz	Hasskamp	Kelso	McGuire	Ostrom	Simoneau	Welle
Brown, K.	Haukoos	Kinkel	Milbert	Ozment	Skoglund	Wenzel
Carlson	Hausman	Klinzing	Molnau	Pauly	Smith	Winter
Clark	Holsten	Knickerbocker	Morrison	Pawlenty	Steinberg	Wolf
Commers	Hugoson	Koppendrayner	Mosel	Pelowski	Steensma	Worke
Dauner	Huntley	Krueger	Munger	Perlt	Sviggum	Workman
Davids	Jacobs	Lasley	Murphy	Peterson	Swenson	Spk. Long

Those who voted in the negative were:

Abrams	Delmont	Girard	Leppik	Rhodes	Trimble
Asch	Dorn	Gruenes	McCollum	Seagren	Van Dellen
Carruthers	Erhardt	Gutknecht	Olson, M.	Stanius	
Cooper	Farrell	Krinkie	Osthoff	Tompkins	

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

Madam Speaker:

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

H. F. No. 1199, A bill for an act relating to state government; the legislative commission on employee relations; modifying provisions relating to certain plans; ratifying certain salaries and a bargaining agreement; requiring certain documents; amending Minnesota Statutes 1992, sections 15A.083, subdivision 4; 43A.18, subdivision 4; and 179A.04, subdivision 3; repealing Minnesota Statutes 1992, section 43A.24, subdivision 3.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 1199 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1199, A bill for an act relating to state government; the legislative commission on employee relations; raising the top of a salary range for a judicial position; modifying provisions relating to certain plans; ratifying certain salaries and a bargaining agreement; amending Minnesota Statutes 1992, sections 15A.083, subdivision 4; 43A.18, subdivision 4; and 179A.04, subdivision 3; repealing Minnesota Statutes 1992, section 43A.24, subdivision 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 112 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Huntley	Lasley	Murphy	Reding	Swenson
Anderson, I.	Dauner	Jacobs	Leppik	Neary	Rest	Tomassoni
Anderson, R.	Dawkins	Jaros	Lieder	Nelson	Rhodes	Tompkins
Asch	Dehler	Jefferson	Lindner	Ness	Rice	Trimble
Battaglia	Delmont	Johnson, A.	Lourey	Olson, K.	Rodosovich	Tunheim
Bauerly	Dempsey	Johnson, R.	Luther	Opatz	Rukavina	Van Dellen
Beard	Erhardt	Johnson, V.	Lynch	Orenstein	Sarna	Vellenga
Bertram	Evans	Kahn	Macklin	Orfield	Seagren	Vickerman
Bettermann	Farrell	Kalis	Mahon	Osthoff	Sekhon	Wagenius
Blatz	Garcia	Kelley	McCollum	Ozment	Simoneau	Weaver
Brown, C.	Goodno	Kelso	McGuire	Pauly	Skoglund	Wejcman
Brown, K.	Greiling	Kinkel	Milbert	Pawlenty	Smith	Welle
Carlson	Gruenes	Klinzing	Molnau	Pelowski	Solberg	Wenzel
Carruthers	Gutknecht	Knickerbocker	Morrison	Perlt	Stanius	Winter
Clark	Hausman	Koppendrayer	Mosel	Peterson	Steensma	Workman
Commers	Holsten	Krueger	Munger	Pugh	Sviggum	Spk. Long

Those who voted in the negative were:

Bergson	Frerichs	Haukoos	Limmer	Ostrom	Worke
Davids	Girard	Hugoson	Olson, M.	Waltman	
Dorn	Hasskamp	Krinkie	Onnen	Wolf	

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

Madam Speaker:

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

H. F. No. 385, A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Steensma moved that the House concur in the Senate amendments to H. F. No. 385 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 385, A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, subdivision 7, and 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 785, A bill for an act relating to retirement; survivor benefits payable by the Minneapolis police relief association; amending Minnesota Statutes 1992, section 353B.11, subdivisions 4 and 5; and Laws 1992, chapters 454, section 3; and 471, article 1, section 10, subdivision 1; repealing Laws 1992, chapter 454, section 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Kahn moved that the House concur in the Senate amendments to H. F. No. 785 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 785, A bill for an act relating to retirement; survivor benefits payable by the Minneapolis police relief association; amending Minnesota Statutes 1992, section 353B.11, subdivisions 4 and 5; and Laws 1992, chapters 454, section 3; and 471, article 1, section 10, subdivision 1; repealing Laws 1992, chapter 454, section 1.

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

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

Madam Speaker:

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

H. F. No. 807, A bill for an act relating to retirement; the Minneapolis fire department relief association; setting service pension rates; amending Minnesota Statutes 1992, section 352B.07, subdivision 3; repealing Laws 1971, chapter 542.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Kahn moved that the House concur in the Senate amendments to H. F. No. 807 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 807, A bill for an act relating to retirement; the Minneapolis fire department relief association; setting service pension rates; amending Minnesota Statutes 1992, section 353B.07, subdivision 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1442, A bill for an act relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; permitting a contribution with interest by a member for past service with the city; amending Laws 1977, chapter 374, section 8, subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Simoneau moved that the House concur in the Senate amendments to H. F. No. 1442 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1442, A bill for an act relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; permitting a contribution with interest by a member for past service with the

city; amending Minnesota Statutes 1992, section 353B.02, subdivision 10; and Laws 1977, chapter 374, section 8, subdivision 1.

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

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

Madam Speaker:

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

H. F. No. 1178, A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for classification of certain tax data; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.317, subdivision 5; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, subdivision 2, and by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding subdivisions; 62J.15, subdivision 1; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivision 2; 62L.02, subdivisions 16, 19, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 2, 3, 4, and 6; 62L.08, subdivisions 4 and 8; 62L.09, subdivision 1; 62L.11, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2, 4, and 5; 136A.1357; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.147, subdivision 4; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 144.581, subdivision 2; 151.47, subdivision 1; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9352, subdivision 3; 256.9353; 256.9354, subdivisions 1, 4, and 5; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3, and by adding a subdivision; 256B.04, subdivision 1; 256B.057, subdivisions 1, 2, and 2a; 256B.0625, subdivision 13; 256D.03, subdivision 3; 270B.01, subdivision 8; 295.50, subdivisions 3, 4, 7, 14, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivisions 1, 3, and by adding a subdivision; 295.54; 295.55, subdivision 4; 295.57; 295.58; 295.59; Laws 1990, chapter 591, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapters 16B; 43A; 62A; 62J; 136A; 144; 151; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota

Statutes 1992, sections 62J.15, subdivision 2; 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Greenfield moved that the House refuse to concur in the Senate amendments to H. F. No. 1178, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 643, A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

PATRICK E. FLAHAVEN, Secretary of the Senate

Luther moved that the House refuse to concur in the Senate amendments to H. F. No. 643, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. No. 236, A bill for an act relating to domestic abuse; requiring a report on victims of domestic abuse and eligibility for unemployment compensation benefits.

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

Ms. Anderson; Mr. Frederickson and Ms. Pappas.

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

Sekhon 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. 236. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 131, 1081, 1367, 968, 1187, 53, 693 and 869.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 131, A bill for an act relating to motor carriers; restricting authority of regular route common carriers of passengers to depart from their authorized routes; amending Minnesota Statutes 1992, section 221.051.

The bill was read for the first time.

Johnson, A., moved that S. F. No. 131 and H. F. No. 148, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1081, A bill for an act relating to the metropolitan council; redrawing the boundaries of council districts; amending Minnesota Statutes 1992, sections 473.123, subdivision 3a, and by adding a subdivision; 473.141, subdivisions 2 and 4a; 473.373, subdivision 4a; 473.604, subdivision 1; and 473.703, subdivisions 1 and 2; repealing Minnesota Statutes 1992, section 473.123, subdivision 3b.

The bill was read for the first time.

Carruthers moved that S. F. No. 1081 and H. F. No. 1376, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1367, A bill for an act relating to the environment; authorizing administrative penalty orders for violations of provisions relating to hazardous chemical reporting requirements; amending Minnesota Statutes 1992, section 299K.10, by adding a subdivision.

The bill was read for the first time.

Orfield moved that S. F. No. 1367 and H. F. No. 1492, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 968, A bill for an act relating to human services; changing the distribution scheme for money appropriated for the foodshelf program; amending Minnesota Statutes 1992, section 268.55.

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

S. F. No. 1187, A bill for an act relating to health care; clarifying the uniform anatomical gift act; retroactively defining organ donation as the rendition of a service; amending Minnesota Statutes 1992, section 525.9221.

The bill was read for the first time.

Greenfield moved that S. F. No. 1187 and H. F. No. 1349, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 53, A bill for an act relating to labor; regulating employment of children; establishing a child labor curfew; providing penalties; amending Minnesota Statutes 1992, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

The bill was read for the first time.

Jacobs moved that S. F. No. 53 and H. F. No. 64, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 693, A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4, and by adding a subdivision; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivisions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

The bill was read for the first time.

Weaver moved that S. F. No. 693 and H. F. No. 898, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 869, A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, 23, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; and 88.22; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11.

The bill was read for the first time.

Ozment moved that S. F. No. 869 and H. F. No. 1152, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 1436, 864, 948, 50 and 1021.

H. F. No. 1436, A bill for an act relating to the environment; appropriating money from the metropolitan landfill contingency trust fund to the commissioner of the pollution control agency for reimbursement to the city of Hopkins for remediation of methane at the city landfill; amending Laws 1991, chapter 182, section 7.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

H. F. No. 864, A bill for an act relating to waters; inspection of watercraft for exotic harmful species; gasoline tax distribution; permit fee for aquatic vegetation control; authorizing civil citations and penalties; recommendations on milfoil control on White Bear Lake; appropriating money; amending Minnesota Statutes 1992, sections 18.317, subdivision 3a; 86B.415, subdivision 7; and 103G.615, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84.

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

The bill was passed and its title agreed to.

Rukavina was excused for the remainder of today's session.

H. F. No. 948 was reported to the House.

Krinkie moved to amend H. F. No. 948, the second engrossment, as follows:

Page 23, after line 5, insert:

"Sec. 7. [REPEALER.]

Minnesota Statutes 1992, section 326.991, is repealed."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker called Vellenga to the Chair.

The question was taken on the Krinkie amendment and the roll was called. There were 42 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Haukoos	Limmer	Olson, M.	Smith	Vickerman
Anderson, R.	Dempsey	Holsten	Lindner	Ornen	Stanius	Waltman
Bettermann	Girard	Hugoson	Lynch	Pawlenty	Sviggum	Wenzel
Blatz	Goodno	Johnson, V.	Macklin	Rhodes	Swenson	Wolf
Commers	Gruenes	Krinkie	Molnau	Seagren	Tompkins	Worke
Davids	Gutknecht	Leppik	Ness	Sekhon	Van Dellen	Workman

Those who voted in the negative were:

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

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

Carruthers, Bauerly and Sarna moved to amend H. F. No. 948, the second engrossment, as follows:

Page 15, line 1, delete "and" and insert:

"(9) whether there has been a change in ownership or control, and the names of all predecessor, subsidiary, affiliated, parent, or related firms, and whether such firm, or its owners, officers, directors, shareholders holding more

than ten percent of the stock, or an employee has ever taken or been subject to an action that is subject to clause (6), (7), or (8) in the last ten years; and"

Page 15, line 2, delete "(9)" and insert "(10)"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Frerichs moved to amend H. F. No. 948, the second engrossment, as amended, as follows:

Page 18, after line 31, insert:

"Sec. 30. [326.921] [BUILDING PERMIT CONDITIONED ON LICENSURE.]

A political subdivision shall not issue a building permit to an unlicensed person who is required to be licensed under sections 326.83 to 326.991. The political subdivision shall report any such person applying for a building permit to the commissioner who may bring an action against the person."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "prohibiting unlicensed persons from obtaining building permits;"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Onnen moved to amend H. F. No. 948, the second engrossment, as amended, as follows:

Page 20, line 15, delete "based on" and insert "equal to .005 percent of"

Page 20, line 17, delete ", on the following scale:" and insert "with a minimum payment of \$50."

Page 20, delete lines 18 to 21

Page 20, line 22, delete "based on" and insert "computed at"

Page 20, line 23, delete "scale" and insert "rate"

A roll call was requested and properly seconded.

The question was taken on the Onnen amendment and the roll was called. There were 57 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hasskamp	Leppik	Olson, K.	Stanius	Wolf
Anderson, R.	Dehler	Haukoos	Limmer	Olson, M.	Sviggum	Worke
Bertram	Dempsey	Holsten	Lindner	Onnen	Swenson	Workman
Bettermann	Erhardt	Hugoson	Lynch	Pauly	Tompkins	
Blatz	Frerichs	Johnson, V.	Molnau	Pawlenty	Van Dellen	
Brown, K.	Girard	Kalis	Mosel	Peterson	Vickerman	
Commers	Goodno	Krickerbocker	Munger	Rhodes	Waltman	
Cooper	Gruenes	Krinkie	Nelson	Seagren	Weaver	
Dauner	Gutknecht	Krueger	Ness	Smith	Wenzel	

Those who voted in the negative were:

Anderson, I.	Dawkins	Jaros	Lasley	Olson, E.	Rest	Trimble
Asch	Delmont	Jefferson	Lieder	Opatz	Rice	Tunheim
Battaglia	Dorn	Jennings	Lourey	Orenstein	Rodosovich	Vellenga
Bauerly	Evans	Johnson, A.	Luther	Orfield	Sarna	Wagenius
Beard	Farrell	Johnson, R.	Mahon	Osthoff	Sekhon	Wejzman
Bergson	Garcia	Kahn	McCollum	Ostrom	Simoneau	Welle
Bishop	Greenfield	Kelley	McGuire	Ozment	Skoglund	Winter
Brown, C.	Greiling	Kelso	Milbert	Pelowski	Solberg	Spk. Long
Carlson	Hausman	Kinkel	Morrison	Perlt	Sparby	
Carruthers	Huntley	Klinzing	Murphy	Pugh	Steensma	
Clark	Jacobs	Koppendrayner	Neary	Reding	Tomassoni	

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

Ness moved to amend H. F. No. 948, the second engrossment, as amended, as follows:

Page 21, after line 14, insert:

"(c) A licensee shall:

(1) participate in the contractor's recovery fund; and

(2) post a license bond of at least \$5,000 with the commissioner issued by an insurer authorized to transact business in this state. The annual bond must be continuous and maintained for as long as the licensee remains licensed or does not participate in the fund."

Page 21, line 15, delete "(c)" and insert "(d)"

A roll call was requested and properly seconded.

The question was taken on the Ness amendment and the roll was called. There were 2 yeas and 126 nays as follows:

Those who voted in the affirmative were:

Anderson, R.      Ness

Those who voted in the negative were:

Abrams	Battaglia	Bergson	Bishop	Brown, K.	Clark	Dauner
Anderson, I.	Bauerly	Bertram	Blatz	Carlson	Commers	Davids
Asch	Beard	Bettermann	Brown, C.	Carruthers	Cooper	Dawkins

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

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

Girard moved to amend H. F. No. 948, the second engrossment, as amended, as follows:

Page 16, line 15, delete "insurance,"

Page 16, line 16, delete "record keeping, and other"

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

H. F. No. 948, A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; prohibiting unlicensed persons from obtaining building permits; establishing a contractor's recovery fund; appropriating money; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; and 326.94, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hausman	Knickerbocker	Morrison	Reding	Tomassoni
Anderson, I.	Dehler	Holsten	Koppendrayner	Murphy	Rest	Tompkins
Asch	Delmont	Huntley	Krueger	Neary	Rhodes	Trimble
Battaglia	Dempsey	Jacobs	Lasley	Nelson	Rice	Tunheim
Bauerly	Dorn	Jaros	Leppik	Olson, E.	Rodosovich	Van Dellen
Beard	Erhardt	Jefferson	Lieder	Opatz	Sarna	Vellenga
Bergson	Evans	Jennings	Limmer	Orenstein	Seagren	Wagenius
Bertram	Farrell	Johnson, A.	Lourey	Orfield	Sekhon	Weaver
Bishop	Frerichs	Johnson, R.	Luther	Ostrom	Simoneau	Wejcmán
Blatz	Garcia	Kahn	Macklin	Ozment	Skoglund	Winter
Brown, K.	Greenfield	Kelley	Mahon	Pauly	Smith	Workman
Carlson	Greiling	Kelso	McCollum	Pelowski	Solberg	Spk. Long
Carruthers	Gruenes	Kinkel	McGuire	Perlt	Sparby	
Clark	Gutknecht	Klinzing	Milbert	Pugh	Steensma	

Those who voted in the negative were:

Anderson, R.	Davids	Hugoson	Molnau	Onnen	Swenson	Wolf
Bettermann	Girard	Johnson, V.	Mosel	Pawlenty	Vickerman	Worke
Commers	Goodno	Kalis	Ness	Peterson	Waltman	
Cooper	Hasskamp	Lindner	Olson, K.	Stanius	Welle	
Dauner	Haukoos	Lynch	Olson, M.	Sviggum	Wenzel	

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

The Speaker called Bauerly to the Chair.

H. F. No. 50, A bill for an act relating to agriculture; changing the apiary laws; reducing an appropriation; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.52, subdivision 1; 19.55; 19.56; 19.58, subdivisions 1, 2, and 4; 19.59; 19.64, subdivisions 1 and 4a; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1021, A bill for an act relating to state lands; exempting certain lakeshore lots from sale requirements; authorizing the commissioner of natural resources to acquire personal property; amending Minnesota Statutes 1992, section 92.67, 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 121 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brown, K.	Frerichs	Goodno	Haukoos	Smith	Waltman	Workman
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The bill was passed and its title agreed to.

### SPECIAL ORDERS

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

### GENERAL ORDERS

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

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 643:

Luther, Sarna and Ness.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 236:

Sekhon; Johnson, A., and Rukavina.

### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Wednesday, May 5, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and Speaker pro tempore Bauerly declared the House stands adjourned until 9:00 a.m., Wednesday, May 5, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 5, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Tom Allen, Riverside Alliance Church, Monticello, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Rest was excused until 9:30 a.m. Morrison and Neary were excused until 10:00 a.m. Olson, E., was excused until 10:15 a.m. Osthoff was excused until 10:20 a.m. Sparby was excused until 11:30 a.m. Haukoos was excused until 12:00 noon.

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

REPORTS OF CHIEF CLERK

S. F. No. 53 and H. F. No. 64, 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. 53 be substituted for H. F. No. 64 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 131 and H. F. No. 148, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Johnson, A., moved that the rules be so far suspended that S. F. No. 131 be substituted for H. F. No. 148 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 693 and H. F. No. 898, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Weaver moved that the rules be so far suspended that S. F. No. 693 be substituted for H. F. No. 898 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 869 and H. F. No. 1152, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Ozment moved that the rules be so far suspended that S. F. No. 869 be substituted for H. F. No. 1152 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1081 and H. F. No. 1376, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 1081 be substituted for H. F. No. 1376 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1187 and H. F. No. 1349, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Greenfield moved that S. F. No. 1187 be substituted for H. F. No. 1349 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1367 and H. F. No. 1492, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Orfield moved that S. F. No. 1367 be substituted for H. F. No. 1492 and that the House File be indefinitely postponed. The motion prevailed.

### SECOND READING OF SENATE BILLS

S. F. Nos. 53, 131, 693, 869, 1081, 1187 and 1367 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Krinkie, Ness, Limmer and Rhodes introduced:

H. F. No. 1766, A bill for an act relating to public employment; requiring a study of University of Minnesota employee compensation compared with state employees' compensation.

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

Krinkie; Van Dellen; Olson, M., and Molnau introduced:

H. F. No. 1767, A bill for an act relating to the legislature; providing oversight of long distance telephone calls and public inspection of records; requiring budget information and opening the budgets to the public; providing for appropriations; establishing the office of legislative finance administrator; providing that statewide accounting applies to the legislature; amending Minnesota Statutes 1992, sections 3.303, by adding a subdivision; 16A.18; and 16A.281; 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 and Gambling.

Olson, E.; Dauner and Rest introduced:

H. F. No. 1768, A bill for an act relating to taxation; authorizing cities, counties, and school districts to abate property taxes under certain circumstances; repealing the tax increment financing and deferred property taxation programs; amending Minnesota Statutes 1992, section 469.179, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1992, section 469.181.

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:

Madam Speaker:

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

H. F. No. 20, A resolution memorializing the United States Secretary of Agriculture to establish higher price supports for grain commodities.

H. F. No. 157, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 287, A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

The Senate has appointed as such committee:

Ms. Johnson, J. B.; Messrs. Mondale; Merriam; Stevens and Chandler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 546, A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

The Senate has appointed as such committee:

Messrs. Murphy, Morse and Ms. Kiscaden.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 643, A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

The Senate has appointed as such committee:

Messrs. Belanger, Solon and Metzen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 43, A bill for an act relating to transportation; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, section 161.082, subdivision 2a.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 43 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 43, A bill for an act relating to transportation; regulating the sign franchise program; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, sections 160.80, subdivision 1; and 161.082, subdivision 2a.

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 120 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown, C.	Delmont	Greiling	Johnson, A.	Krinkie	Mahon
Anderson, I.	Brown, K.	Dempsey	Gruenes	Johnson, R.	Krueger	McCollum
Anderson, R.	Carlson	Dorn	Gutknecht	Johnson, V.	Lasley	McGuire
Battaglia	Carruthers	Erhardt	Hasskamp	Kahn	Leppik	Milbert
Bauerly	Clark	Evans	Hausman	Kalis	Lieder	Molnau
Beard	Commers	Farrell	Holsten	Kelley	Limmer	Mosel
Bergson	Cooper	Frerichs	Hugoson	Kelso	Lindner	Munger
Bertram	Dauner	Garcia	Huntley	Kinkel	Lourey	Murphy
Bettermann	Dauids	Girard	Jacobs	Klinzing	Luther	Nelson
Bishop	Dawkins	Goodno	Jaros	Knickerbocker	Lynch	Ness
Blatz	Dehler	Greenfield	Jefferson	Koppendrayar	Macklin	Olson, M.

Onnen	Pawlenty	Rice	Skoglund	Tomassoni	Weaver	Spk. Long
Opatz	Pelowski	Rodosovich	Smith	Tompkins	Wejcman	
Orenstein	Perlt	Rukavina	Solberg	Tunheim	Wenzel	
Orfield	Peterson	Sarna	Stanius	Van Dellen	Winter	
Ostrom	Pugh	Seagren	Steensma	Vickerman	Wolf	
Ozment	Reding	Sekhon	Sviggum	Wagenius	Worke	
Pauly	Rhodes	Simoneau	Swenson	Waltman	Workman	

Those who voted in the negative were:

Asch                      Trimble

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

Madam Speaker:

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

H. F. No. 454, A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark moved that the House refuse to concur in the Senate amendments to H. F. No. 454, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

Senate Concurrent Resolution No. 4, A senate concurrent resolution adopting permanent joint rules of the Senate and House of Representatives.

PATRICK E. FLAHAVEN, Secretary of the Senate

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Madam Speaker:

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

S. F. Nos. 521, 1054, 1114, 253, 1297, 34 and 868.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 521, A bill for an act relating to health; permitting minors to give consent for a hepatitis B vaccination; establishing procedures and programs relating to tuberculosis; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Orenstein moved that S. F. No. 521 and H. F. No. 818, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1054, A bill for an act relating to state departments and agencies; providing for reports on advisory task forces committees and councils; providing for their expirations; eliminating certain advisory bodies; amending Minnesota Statutes 1992, sections 6.65; 15.059, subdivision 5; 16B.39, subdivision 1a; 41A.02, subdivision 1; 41A.04, subdivisions 2 and 4; 116J.975; 125.188, subdivision 3; 125.1885, subdivision 3; 129D.16; 148.235, subdivision 2; 246.017, subdivision 2; 246.56, subdivision 2; 256B.0629, subdivision 4; and 256B.433, subdivision 1; 299F.093, subdivision 1; repealing Minnesota Statutes 1992, sections 41.54; 41A.07; 43A.31, subdivision 4; 82.30, subdivision 1; 84.524, subdivisions 1 and 2; 85A.02, subdivision 4; 86A.10, subdivision 1; 116J.645; 116J.984, subdivision 11; 116N.05; 120.064, subdivision 6; 121.87; 145.93, subdivision 2; 148B.20, subdivision 2; 152.02, subdivision 11; 175.008; 184.23; 206.57, subdivision 3; 245.476, subdivision 4; 245.4885, subdivision 4; 256.9745; 256B.0629, subdivisions 1, 2, and 3; 256B.433, subdivision 4; 257.072, subdivision 6; 299F.092, subdivision 9; 299F.097; and 626.5592.

The bill was read for the first time.

Mahon moved that S. F. No. 1054 and H. F. No. 1203, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1114, A bill for an act relating to commerce; franchises; regulating assignments, transfers, and sales; amending Minnesota Statutes 1992, section 80C.17, subdivisions 1 and 5.

The bill was read for the first time.

Pugh moved that S. F. No. 1114 and H. F. No. 1636, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 253, A bill for an act relating to occupations and professions; clarifying the training requirements for private detectives and security guards; amending Minnesota Statutes 1992, section 326.3361, subdivisions 1, 2, and 3.

The bill was read for the first time.

Rhodes moved that S. F. No. 253 and H. F. No. 1575, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1297, A bill for an act relating to occupations and professions; board of architecture, engineering, land surveying, landscape architecture, and certified interior designer; establishing a procedure for issuance, denial, revocation, and suspension of licenses; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time.

Milbert moved that S. F. No. 1297 and H. F. No. 1407, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 34, A bill for an act relating to student exchange programs; regulating student exchange programs; imposing a penalty; appropriating money; amending Minnesota Statutes 1992, section 299C.61, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 5A.

The bill was read for the first time.

Beard moved that S. F. No. 34 and H. F. No. 37, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 868, A bill for an act relating to human services; adding conditions on availability of funds; changing conditions on adoption assistance agreement; changing reimbursement of costs; determining program funding; amending Minnesota Statutes 1992, section 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, and 9.

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

### CONSENT CALENDAR

H. F. No. 1259, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1408

A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

May 3, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1408, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: WARREN LIMMER, STEVEN SMITH AND STEPHEN G. WENZEL.

Senate Conferees: PATRICK D. MCGOWAN, DAN STEVENS AND JOE BERTRAM, SR.

Limmer moved that the report of the Conference Committee on H. F. No. 1408 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1408, A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Stanisus	Swenson	Trimble	Vellenga	Waltman	Wenzel	Worke
Steensma	Tomassoni	Tunheim	Vickerman	Weaver	Winter	Workman
Sviggum	Tompkins	Van Dellen	Wagenius	Wejzman	Wolf	Spk. Long

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 327, 1245 and 673.

The Speaker called Bauerly to the Chair.

H. F. No. 327 was reported to the House.

Hasskamp and Bergson moved to amend H. F. No. 327, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 168.031, is amended to read:

168.031 [EXEMPTION FROM REGISTRATION; PERSONS IN ARMED FORCES, DISABLED VETERANS, FORMER PRISONERS OF WAR.]

The motor vehicle of any person who engages in active service in time of war or other emergency declared by proper authority in any of the military or naval forces of the United States shall be exempt from the motor vehicle registration tax during the period of such active service and for 40 days immediately thereafter if the owner has filed with the registrar of motor vehicles a written application for exemption with such proof of military service as the registrar may have required and if the motor vehicle is not operated on a public highway within the state, except by the owner while on furlough or leave of absence.

The motor vehicle of any disabled war veteran, which vehicle has been furnished free, in whole or in part, by the United States government to said disabled veteran, shall be exempt from the motor vehicle registration tax. The motor vehicle owned and registered by a former prisoner of war that bears the "EX-POW" plates is exempt from the motor vehicle registration tax.

Sec. 2. Minnesota Statutes 1992, section 168.12, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee that is calculated to cover the cost of manufacturing and issuing the license plate or plates, except for license plates issued to disabled veterans as defined in section 168.031 and license plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 3. Minnesota Statutes 1992, 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.

Subd. 1a. [APPLICATION.] 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.~~

Subd. 1b. [NO FEE.] The registrar shall issue a set of EX-POW plates to qualified applicants, free of charge for the cost of the plates, and shall replace them without charge if they become damaged. In addition, no fee may be charged for a subsequent year when tabs or stickers are issued for that motor vehicle on which the special EX-POW plates are placed.

Subd. 1c. [PLATES TRANSFER.] 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~~ notification to the registrar of motor vehicles.

Subd. 1d. [SURVIVING SPOUSE.] Upon the death of a former prisoner of war, the registrar shall continue to issue free of charge, 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 1c. No fee may be charged for replacement plates issued to a surviving spouse or for tabs or stickers issued for the motor vehicle on which the special "EX-POW" plates are placed. A surviving spouse is not exempt from the motor vehicle registration tax.

Subd. 1e. [MOTOR VEHICLE; SPECIAL DEFINITION.] For purposes of this section, "motor vehicle" means a passenger automobile, van, pickup truck, motorcycle, or recreational vehicle."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 327, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; exempting former prisoners of war plates from motor vehicle registration tax; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, subdivision 1.

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

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

Those who voted in the affirmative were:

Abrams	Asch	Beard	Bettermann	Brown, C.	Carruthers	Cooper
Anderson, I.	Battaglia	Bergson	Bishop	Brown, K.	Clark	Dauner
Anderson, R.	Bauerly	Bertram	Blatz	Carlson	Commers	Davids

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

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

H. F. No. 1245 was reported to the House.

Kelley, McGuire and Rodosovich moved to amend H. F. No. 1245, the second engrossment, as follows:

Page 4, line 11, delete "or"

Page 4, line 15, delete the period and insert "; or

(h) To the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a post-secondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction.

Sec. 4. Minnesota Statutes 1992, section 13.32, subdivision 6, is amended to read:

Subd. 6. [ADMISSIONS FORMS; REMEDIAL INSTRUCTION.] (a) Minnesota post-secondary education institutions, for purposes of reporting and research, may collect on the 1986-1987 admissions form, and disseminate to any public educational agency or institution the following data on individuals: student sex, ethnic background, age, and disabilities. The data shall not be required of any individual and shall not be used for purposes of determining the person's admission to an institution.

(b) A school district that receives information under subdivision 3, paragraph (h) from a post-secondary institution about an identifiable student shall maintain the data as educational data and use that data to conduct studies to improve instruction. Public post-secondary systems annually shall provide summary data to the department of education indicating the extent and content of the remedial instruction received in each system during the prior academic year by, and the results of assessment testing and the academic performance of, students who graduated from a Minnesota school district within two years before receiving the remedial instruction. The department shall evaluate the data and annually report its findings to the education committees of the legislature.

(c) This section supersedes any inconsistent provision of law."

Page 34, after line 7, insert a section to read:

"Sec. 38. [JOINT PLAN TO REPORT TO SCHOOL DISTRICTS.]

Minnesota public post-secondary education systems, for the purpose of assisting school districts in developing academic standards, determining specific areas of academic deficiency within the secondary school curriculum, and improving instruction, shall by September 1, 1993, jointly develop a plan to disseminate data to Minnesota school districts indicating the extent and content of the remedial instruction received at each public post-secondary institution by, and the results of assessment testing and the academic performance of, students who graduated from a district within two years before receiving the remedial instruction. The data shall include personally identifiable information about the student to the extent necessary to accomplish the purpose of this section."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1245, A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Peterson

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

Speaker pro tempore Bauerly called Rodosovich to the Chair.

H. F. No. 673, A bill for an act relating to agriculture; regulating activities relating to restricted species; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

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

The bill was passed and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

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

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

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding printed Special Orders for today, Wednesday, May 5, 1993:

S. F. Nos. 181, 1199, 911, 645, 952 and 1315; H. F. No. 1387; S. F. No. 1158; and H. F. Nos. 199 and 1185.

## SPECIAL ORDERS

S. F. No. 181 was reported to the House.

Rest moved to amend S. F. No. 181, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 48.24, subdivision 1, is amended to read:

Subdivision 1. The total liabilities to any such bank, as principal, guarantor or endorser of any individual, including the liabilities of any corporation or limited liability company which the individual owns or controls a majority interest, any partnership, unincorporated association, limited liability company, or corporation, including the liabilities of the several members of a partnership or unincorporated association, and in case of a corporation or limited liability company of all subsidiaries thereof in which such corporation or limited liability company owns or controls a majority interest, shall never exceed 20 percent of its capital actually paid in cash and of its actual surplus fund, except that obligations not to exceed 25 percent of said capital and surplus to any one borrower shall not be included as liabilities for the purposes of this section, but shall be liabilities of the borrowers, provided they are secured by not less than a like amount of any one of the various types of obligations of the United States or which are fully guaranteed as to principal and interest by the United States, and providing that such bonds or obligations have a market value of at least ten percent in excess of the amount loaned thereon at the time each loan is made.

For the purpose of this section the members of a family living together in one household, if borrowed funds are to be used in the conduct of a common enterprise, shall be regarded as one person and the total liabilities of the members of the family shall be limited as herein provided. The endorser or guarantor of any obligation which is exempt from loaning limits according to the provisions of this section shall also be exempt from such loaning limits to the extent of the amount of liability on such obligations for the purposes of this section but shall be liable thereon. Individual extensions of credit which result in liabilities of individuals or, corporations, or limited liability companies exceeding the limitations set forth in this section shall be construed to conform to the provisions of this subdivision upon reduction in an amount sufficient to reduce the total liability to not more than the legal amount, but until paid in full shall not exempt the officer or employee of the bank from being personally liable to the bank for the amount of the original excess portion of the loan as set forth in subdivision 8.

Sec. 2. Minnesota Statutes 1992, section 48.24, subdivision 7, is amended to read:

Subd. 7. Obligations of any person, copartnership, limited liability company, association or corporation in the form of notes or drafts secured by shipping documents or instruments transferring or securing title covering feeder livestock which is free from all other encumbrances, when the market value of the livestock securing the obligation at the time of the making of the loan is not less than 115 percentum of the face amount of the notes covered by such documents, shall be subject under this subdivision to a limitation of 20 percent of capital and surplus in addition to 20 percent of capital and surplus as included in provisions of subdivision 1. Feeder livestock loans as referred to in this subdivision is defined to include only obligations secured by liens or giving title to cattle, sheep, goats, hogs or poultry being fattened for market, but excluding dairy cattle, milk goats, poultry used for production of eggs, or barnyard or work animals.

Sec. 3. Minnesota Statutes 1992, section 48.24, subdivision 8, is amended to read:

Subd. 8. When a bank shall allow any individual, partnership, limited liability company, unincorporated association, or corporation, or any officer or director of the bank, to become indebted to it, directly or indirectly, in excess of the amount, exclusive of interest permitted by the laws of this state, the officer or employee of the bank willfully permitting or approving the loan shall be guilty of a gross misdemeanor and, in addition thereto, shall be personally liable to the bank for the amount of the loan in excess of the statutory limit.

Sec. 4. Minnesota Statutes 1992, section 51A.02, subdivision 43, is amended to read:

Subd. 43. [ORGANIZATION.] "Organization" means a corporation, government or governmental subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, or association.

Sec. 5. Minnesota Statutes 1992, section 176.011, subdivision 10, is amended to read:

Subd. 10. [EMPLOYER.] "Employer" means any person who employs another to perform a service for hire; and includes corporation, partnership, limited liability company, association, group of persons, state, county, town, city, school district, or governmental subdivision.

Sec. 6. Minnesota Statutes 1992, section 176.041, subdivision 1a, is amended to read:

Subd. 1a. [ELECTION OF COVERAGE.] The persons, partnerships, limited liability companies, and corporations described in this subdivision may elect to provide the insurance coverage required by this chapter.

(a) An owner or owners of a business or farm may elect coverage for themselves.

(b) A partnership owning a business or farm may elect coverage for any partner.

(c) A family farm corporation as defined in section 500.24, subdivision 2, clause (c), may elect coverage for any executive officer.

(d) A closely held corporation which had less than 22,880 hours of payroll in the previous calendar year may elect coverage for any executive officer if that executive officer is also an owner of at least 25 percent of the stock of the corporation.

(e) A person, partnership, limited liability company, or corporation hiring an independent contractor, as defined by rules adopted by the commissioner, may elect to provide coverage for that independent contractor.

A person, partnership, limited liability company, or corporation may charge the independent contractor a fee for providing the coverage only if the independent contractor (1) elects in writing to be covered, (2) is issued an endorsement setting forth the terms of the coverage, the name of the independent contractors, and the fee and how it is calculated.

The persons, partnerships, and corporations described in this subdivision may also elect coverage for an employee who is a spouse, parent, or child, regardless of age, of an owner, partner, or executive officer, who is eligible for coverage under this subdivision. Coverage may be elected for a spouse, parent, or child whether or not coverage is elected for the related owner, partner, or executive director and whether or not the person, partnership, or corporation employs any other person to perform a service for hire. Any person for whom coverage is elected pursuant to this subdivision shall be included within the meaning of the term employee for the purposes of this chapter.

Notice of election of coverage or of termination of election under this subdivision shall be provided in writing to the insurer. Coverage or termination of coverage is effective the day following receipt of notice by the insurer or at a subsequent date if so indicated in the notice. The insurance policy shall be endorsed to indicate the names of those persons for whom coverage has been elected or terminated under this subdivision. An election of coverage under this subdivision shall continue in effect as long as a policy or renewal policy of the same insurer is in effect.

Nothing in this subdivision shall be construed to limit the responsibilities of owners, partnerships, limited liability companies, or corporations to provide coverage for their employees, if any, as required under this chapter.

Sec. 7. Minnesota Statutes 1992, section 268.04, subdivision 9, is amended to read:

Subd. 9. [EMPLOYING UNIT.] "Employing unit" means any individual or type of organization, including any partnership, limited liability company, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor of any of the foregoing, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had in its employ one or more individuals performing services for it. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit. Each individual employed to perform or assist in performing the work of any agent or individual employed by an employing unit shall be deemed to be employed by such employing unit whether such individual was hired or paid directly by such employing unit or by such agent or individual, provided the employing unit had actual or constructive knowledge of such work. Any private or nonprofit organization or government agency providing or authorizing the hiring of homeworkers, personal care attendants, or other individuals performing similar services in the private home of an individual is the employing unit of the homemaker, attendant or similar worker whether the agency pays the employee directly or provides funds to the recipient of the services to pay for the services.

Sec. 8. Minnesota Statutes 1992, section 268.161, subdivision 9, is amended to read:

Subd. 9. [PERSONAL LIABILITY.] Any officer, director, or any employee having 20 percent ownership interest of a corporation which is an employer under sections 268.03 to 268.231, and any manager, governor, or member of a limited liability company having 20 percent ownership interest of a limited liability company which is an employer under sections 268.03 to 268.231, who

(1) has control of or supervision over the filing of and responsibility for filing contribution reports or of making payment of contributions under these sections, and ~~who~~

(2) willfully fails to file the reports or to make payments as required, shall be personally liable for contributions or reimbursement, including interest, penalties, and costs in the event the corporation does not pay to the department those amounts for which the employer is liable.

Any personal representative of the estate of a decedent or fiduciary who voluntarily distributes the assets filed therein without reserving a sufficient amount to pay the contributions, interest, and penalties due pursuant to this chapter shall be personally liable for the deficiency.

The personal liability of any person as provided herein shall survive dissolution, reorganization, bankruptcy, receivership, or assignment for the benefit of creditors. For the purposes of this subdivision, all wages paid by the corporation shall be considered earned from the person determined to be personally liable.

An official designated by the commissioner shall make an initial determination as to the personal liability under this section. The determination shall be final unless the person found to be personally liable shall within 30 days after mailing of notice of determination to the person's last known address file a written appeal. Proceedings on the appeal shall be conducted in the same manner as an appeal from a determination of employer liability under section 268.12, subdivision 13.

Sec. 9. Minnesota Statutes 1992, section 290.92, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (1) [WAGES.] For purposes of this section, the term "wages" means the same as that term is defined in section 3401(a) and (f) of the Internal Revenue Code of 1986, as amended through December 31, 1991, except wages shall not include agricultural labor as defined in section 3121(g) of the Internal Revenue Code of 1986, as amended through December 31, 1991.

(2) [PAYROLL PERIOD.] For purposes of this section the term "payroll period" means a period for which a payment of wages is ordinarily made to the employee by the employee's employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly, monthly, quarterly, semiannual, or annual payroll period.

(3) [EMPLOYEE.] For purposes of this section the term "employee" means any resident individual performing services for an employer, either within or without, or both within and without the state of Minnesota, and every nonresident individual performing services within the state of Minnesota, the performance of which services constitute, establish, and determine the relationship between the parties as that of employer and employee. As used in the preceding sentence, the term "employee" includes an officer of a corporation, and an officer, employee, or elected official of the United States, a state, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.

(4) [EMPLOYER.] For purposes of this section the term "employer" means any person, including individuals, fiduciaries, estates, trusts, partnerships, limited liability companies, and corporations transacting business in or deriving any income from sources within the state of Minnesota for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that if the person for whom the individual performs or performed the services does not have legal control of the payment of the wages for such services, the term "employer," except for purposes of paragraph (1), means the person having legal control of the payment of such wages. As used in the preceding sentence, the term "employer" includes any corporation, individual, estate, trust, or organization which is exempt from taxation under section 290.05 and further includes, but is not limited to, officers of corporations who have legal control, either individually or jointly with another or others, of the payment of the wages.

(5) [NUMBER OF WITHHOLDING EXEMPTIONS CLAIMED.] For purposes of this section, the term "number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under subdivision 5, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero.

Sec. 10. Minnesota Statutes 1992, section 297A.01, subdivision 2, is amended to read:

Subd. 2. "Person" includes any individual, partner, officer, director, firm, partnership, joint venture, limited liability company, association, cooperative, social club, fraternal organization, municipal or private corporation whether organized for profit or not, estate, trusts, business trusts, receiver, trustee, syndicate, the United States, the state of Minnesota, any political subdivision of Minnesota, or any other group or combination acting as a unit, and the plural as well as the singular number. As used in the preceding sentence, the term "person" includes, but is not limited to, directors and officers of corporations, governors and managers of a limited liability company, or members of partnerships who, either individually or jointly with others, have the control, supervision or responsibility of filing returns and making payment of the amount of tax imposed by this chapter. "Person" shall also include any agent or consignee of any individual or organization enumerated in this subdivision.

Sec. 11. Minnesota Statutes 1992, section 302A.011, subdivision 25, is amended to read:

Subd. 25. [~~RELATED CORPORATION~~ ORGANIZATION.] "~~Related corporation~~ organization" of a specified corporation means:

- (1) a parent or subsidiary of the specified corporation ~~or~~;
- (2) another subsidiary of a parent of the specified corporation;
- (3) a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation;
- (4) a limited liability company having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly by the specified corporation;
- (5) a limited liability company having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly either (i) by a parent of the specified corporation or (ii) a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation; or
- (6) a corporation having more than 50 percent of the voting power of its shares entitled to vote for director owned directly or indirectly by a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation.

Sec. 12. Minnesota Statutes 1992, section 302A.161, subdivision 12, is amended to read:

Subd. 12. [PENSIONS; BENEFITS.] A corporation may pay pensions, retirement allowances, and compensation for past services to and for the benefit of, and establish, maintain, continue, and carry out, wholly or partially at the expense of the corporation, employee or incentive benefit plans, trusts, and provisions to or for the benefit of, any or all of its and its related ~~corporations'~~ organizations' officers, managers, directors, governors, employees, and agents and, in the case of a related organization that is a limited liability company, members who provide services to the limited liability company, and the families, dependents, and beneficiaries of any of them. It may indemnify and purchase and maintain insurance for and on behalf of a fiduciary of any of these employee benefit and incentive plans, trusts, and provisions.

Sec. 13. Minnesota Statutes 1992, section 302A.501, subdivision 1, is amended to read:

Subdivision 1. [PREREQUISITES.] A corporation may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist a person, if the transaction, or a class of transactions to which the transaction belongs, is approved by the affirmative vote of a majority of the directors present and:

- (a) Is in the usual and regular course of business of the corporation;

(b) Is with, or for the benefit of, a related ~~corporation~~ organization, an organization in which the corporation has a financial interest, an organization with which the corporation has a business relationship, or an organization to which the corporation has the power to make donations;

(c) Is with, or for the benefit of, an officer or other employee of the corporation or a subsidiary, including an officer or employee who is a director of the corporation or a subsidiary, and may reasonably be expected, in the judgment of the board, to benefit the corporation; or

(d) Has been approved by (1) the holders of two-thirds of the voting power of the shares entitled to vote which are owned by persons other than the interested person or persons, or (2) the unanimous affirmative vote of the holders of all outstanding shares, whether or not entitled to vote.

Sec. 14. Minnesota Statutes 1992, section 302A.521, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Corporation" includes a domestic or foreign corporation that was the predecessor of the corporation referred to in this section in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(c) "Official capacity" means (1) with respect to a director, the position of director in a corporation, (2) with respect to a person other than a director, the elective or appointive office or position held by an officer, member of a committee of the board, or the employment relationship undertaken by an employee of the corporation, and (3) with respect to a director, officer, or employee of the corporation who, while a director, officer, or employee of the corporation, is or was serving at the request of the corporation or whose duties in that position involve or involved service as a director, officer, partner, trustee, employee, or agent of another organization or employee benefit plan, the position of that person as a director, officer, partner, trustee, employee, or agent, as the case may be, of the other organization or employee benefit plan.

(d) "Proceeding" means a threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of the corporation.

(e) "Special legal counsel" means counsel who has not represented the corporation or a related ~~corporation~~ organization, or a director, officer, member of a committee of the board, or employee, whose indemnification is in issue.

Sec. 15. Minnesota Statutes 1992, section 302A.551, subdivision 3, is amended to read:

Subd. 3. [EFFECT MEASURED.] (a) In the case of a distribution made by a corporation in connection with a purchase, redemption, or other acquisition of its shares, the effect of the distribution shall be measured as of the date on which money or other property is transferred, or indebtedness payable in installments or otherwise is incurred, by the corporation, or as of the date on which the shareholder ceases to be a shareholder of the corporation with respect to the shares, whichever is the earliest.

(b) The effect of any other distribution shall be measured as of the date of its authorization if payment occurs 120 days or less following the date of authorization, or as of the date of payment if payment occurs more than 120 days following the date of authorization.

(c) Indebtedness of a corporation incurred or issued in a distribution in accordance with this section to a shareholder who as a result of the transaction is no longer a shareholder is on a parity with the indebtedness of the corporation to its general unsecured creditors, except to the extent subordinated, agreed to, or secured by a pledge of any assets of the corporation or a related ~~corporation~~ organization, or subject to any other agreement between the corporation and the shareholder.

(d) Sections 302A.551 to 302A.559 supersede all other statutes of this state with respect to distributions, and the provisions of sections 513.41 to 513.51 do not apply to distributions made by a corporation governed by this chapter.

Sec. 16. Minnesota Statutes 1992, section 302A.673, subdivision 1, is amended to read:

Subdivision 1. [BUSINESS COMBINATION WITH INTERESTED SHAREHOLDER; APPROVAL BY DIRECTORS.]

(a) Notwithstanding anything to the contrary contained in this chapter (except the provisions of subdivision 3), an issuing public corporation may not engage in any business combination, or vote, consent, or otherwise act to authorize a subsidiary of the issuing public corporation to engage in any business combination, with, with respect to, proposed by or on behalf of, or pursuant to any written or oral agreement, arrangement, relationship, understanding, or otherwise with, any interested shareholder of the issuing public corporation or any affiliate or associate of the interested shareholder for a period of four years following the interested shareholder's share acquisition date unless the business combination or the acquisition of shares made by the interested shareholder on the interested shareholder's share acquisition date is approved before the interested shareholder's share acquisition date by a committee of the board of the issuing public corporation formed in accordance with paragraph (d).

(b) If a good faith definitive proposal regarding a business combination is made in writing to the board of the issuing public corporation, a committee of the board formed in accordance with paragraph (d) shall consider and take action on the proposal and respond in writing within 30 days after receipt of the proposal by the issuing public corporation, setting forth its decision regarding the proposal.

(c) If a good faith definitive proposal to acquire shares is made in writing to the board of the issuing public corporation, a committee of the board formed in accordance with paragraph (d), shall consider and take action on the proposal and respond in writing within 30 days after receipt of the proposal by the issuing public corporation, setting forth its decision regarding the proposal.

(d)(1) When a business combination or acquisition of shares is proposed pursuant to this subdivision, the board shall promptly form a committee composed of all of the board's disinterested directors. The committee shall take action on the proposal by the affirmative vote of a majority of committee members. No larger proportion or number of votes shall be required. Notwithstanding the provisions of section 302A.241, subdivision 1, the committee shall not be subject to any direction or control by the board with respect to the committee's consideration of, or any action concerning, a business combination or acquisition of shares pursuant to this section.

(2) A committee formed pursuant to this subdivision shall be composed of one or more members. Only disinterested directors may be members of a committee formed pursuant to this subdivision. However, if the board has no disinterested directors, the board shall select three or more disinterested persons to be committee members. Committee members are deemed to be directors for purposes of sections 302A.251, 302A.255, and 302A.521.

(3) For purposes of this subdivision, a director or person is "disinterested" if the director or person is neither an officer nor an employee, nor has been an officer or employee within five years preceding the formation of the committee pursuant to this section, of the issuing public corporation, or of a related corporation organization.

Sec. 17. Minnesota Statutes 1992, section 319A.02, subdivision 7, is amended to read:

Subd. 7. "Corporation" as used in this chapter includes a limited liability company organized under chapter 322B and, with respect to a limited liability company, references in this chapter to articles of incorporation, bylaws, directors, officers, ~~directors~~, shareholders and shares of stock shall refer to articles of organization, operating agreement, governors, managers, members and membership interests, respectively.

Sec. 18. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 17a. [DOMESTIC CORPORATION.] "Domestic corporation" means a corporation, other than a foreign corporation, organized for profit and incorporated under or governed by chapter 302A.

Sec. 19. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 19a. [FOREIGN CORPORATION.] "Foreign corporation" means a corporation organized for profit that is incorporated under laws other than the laws of this state for a purpose or purposes for which a corporation may be incorporated under chapter 302A.

Sec. 20. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 36a. [PARENT.] "Parent" of a specified limited liability company means a limited liability company or a corporation that directly or indirectly owns more than 50 percent of the voting power of the membership interests entitled to vote for governors of the specified limited liability company.

Sec. 21. Minnesota Statutes 1992, section 322B.03, subdivision 41, is amended to read:

Subd. 41. [~~RELATED LIMITED LIABILITY COMPANY ORGANIZATION.~~] "~~Related limited liability company organization~~" of a specified limited liability company means a parent or subsidiary of the specified limited liability company or another subsidiary of a parent of the specified limited liability company.

Sec. 22. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 45a. [SUBSIDIARY.] "Subsidiary" of a specified limited liability company means a limited liability company or a corporation having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly by the specified limited liability company.

Sec. 23. Minnesota Statutes 1992, section 322B.115, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED PROVISIONS.] The articles of organization must contain:

- (1) the name of the limited liability company;
- (2) the address of the registered office of the limited liability company and the name of its registered agent, if any, at that address;
- (3) the name and address of each organizer;
- (4) the limited period of existence for the limited liability company, which must be a period of 30 years or less from the date the articles of organization are filed with the secretary of state, unless the articles of organization expressly authorize a longer period of duration;
- (5) a statement as to whether upon the occurrence of any event under section 322B.80, subdivision 1, clause (5), that terminates the continued membership of a member in the limited liability company, the remaining members will have the power to avoid dissolution by giving dissolution avoidance consent; and
- (6) a statement as to whether the members have the power to enter into a business continuation agreement.

Sec. 24. Minnesota Statutes 1992, section 322B.115, subdivision 2, is amended to read:

Subd. 2. [STATUTORY PROVISIONS THAT MAY BE MODIFIED ONLY IN ARTICLES OF ORGANIZATION.] The following provisions govern a limited liability company unless modified in the articles of organization:

- (1) a limited liability company has general business purposes (section 322B.10);
- (2) a limited liability company has certain powers (section 322B.20);
- (3) the power to adopt, amend, or repeal the operating agreement is vested in the board of governors (section 322B.603);
- (4) a limited liability company must allow cumulative voting for governors (section 322B.63);
- (5) the affirmative vote of a majority of governors present is required for an action of the board of governors (section 322B.653);
- (6) a written action by the board of governors taken without a meeting must be signed by all governors (section 322B.656);
- (7) the board may accept contributions, make contribution agreements, and make contribution allowance agreements (sections 322B.40, subdivision 1; 322B.42; and 322B.43);
- (8) all membership interests are ordinary membership interests entitled to vote and are of one class with no series (section 322B.40, subdivision 5, clauses (1) and (2));
- (9) all membership interests have equal rights and preferences in all matters not otherwise provided for by the board of governors (section 322B.40, subdivision 5, clause (2));

(10) the restatement of value of previous contributions is to be determined according to a specified process (section 322B.41, subdivisions 3 and 4);

(11) a member has certain preemptive rights, unless otherwise provided by the board of governors (section 322B.33);

(12) the affirmative vote of the owners of a majority of the voting power of the membership interests present and entitled to vote at a duly held meeting is required for an action of the members, except where this chapter requires the affirmative vote of a majority of the voting power of all membership interests entitled to vote (section 322B.35, subdivision 1);

(13) the voting power of each membership interest is in proportion to the value reflected in the required records of the contributions of the members (section 322B.356);

(14) members share in distributions in proportion to the value reflected in the required records of the contributions of members (section 322B.50);

(15) members share profits and losses in proportion to the value reflected in the required records of the contributions of members (section 322B.326);

(16) a written action by the members taken without a meeting must be signed by all members (section 322B.35);

(17) members have no right to receive distributions in kind and the limited liability company has only limited rights to make distributions in kind (section 322B.52); ~~and~~

(18) a member is not subject to expulsion (section 322B.306, subdivision 2);

(19) unanimous consent is required for the transfer of governance rights to a person not already a member (section 322B.313, subdivision 2); and

(20) unanimous consent is required to avoid dissolution (section 322B.80, subdivision 1, clause (5)(B)).

Sec. 25. Minnesota Statutes 1992, section 322B.20, subdivision 5, is amended to read:

Subd. 5. [PROPERTY DISPOSITION.] A limited liability company may sell, convey, mortgage, create a security interest in, otherwise encumber, assign, lease, exchange, transfer, or otherwise dispose of all or any part of its real or personal property, or any interest in this property, wherever situated.

Sec. 26. Minnesota Statutes 1992, section 322B.20, subdivision 7, is amended to read:

Subd. 7. [CONTRACTS AND MORTGAGES.] A limited liability company may make contracts and incur liabilities, borrow money, and secure any of its obligations by mortgage of or creation of a security interest in or other encumbrance or assignment of all or any of its property, franchises, and income.

Sec. 27. Minnesota Statutes 1992, section 322B.20, subdivision 12, is amended to read:

Subd. 12. [PENSIONS AND BENEFITS.] A limited liability company may pay pensions, retirement allowances, and compensation for past services to and for the benefit of, and establish, maintain, continue, and carry out, wholly or partially at the expense of the limited liability company, employee or incentive benefit plans, trusts, and provisions to or for the benefit of, any or all of its and its related ~~limited liability companies'~~ organizations' officers, managers, directors, governors, employees, and agents and, in the case of a related organization that is a limited liability company, members who provide services to the limited liability company, and the families, dependents, and beneficiaries of any of them. It may indemnify and purchase and maintain insurance for and on behalf of a fiduciary of any of these employee benefit and incentive plans, trusts, and provisions.

Sec. 28. Minnesota Statutes 1992, section 322B.20, subdivision 14, is amended to read:

Subd. 14. [INSURANCE.] A limited liability company may provide for its benefit life insurance and other insurance with respect to the services of any or all of its members, managers, governors, employees, and agents, or on the life of a member for the purpose of acquiring at the death of the member any or all membership interests in the limited liability company owned by the member.

Sec. 29. Minnesota Statutes 1992, section 322B.20, subdivision 21, is amended to read:

Subd. 21. [ADVANCES.] A limited liability company may make advances to members who provide services to the limited liability company, its governors, managers, and employees and those of its subsidiaries as provided in section 322B.696.

Sec. 30. Minnesota Statutes 1992, section 322B.30, subdivision 2, is amended to read:

Subd. 2. [STATEMENT OF MEMBERSHIP INTEREST.] At the request of any member, the limited liability company shall state in writing the particular membership interest owned by that member as of the moment the limited liability company makes the statement. The statement must describe the member's rights to vote, to share in profits and losses, and to share in distributions, restrictions on assignments of financial rights under section 322B.31, subdivision 3, or governance rights under section 322B.313, subdivision 6, then in effect, as well as any assignment of the member's rights then in effect other than a security interest. The statement is not a certificated security as defined in section 336.8-102(1)(a), is not a negotiable instrument, and may not serve as a vehicle by which a transfer of any membership interest may be effected.

Sec. 31. Minnesota Statutes 1992, section 322B.30, subdivision 3, is amended to read:

Subd. 3. [GRANT OF A SECURITY INTEREST.] Notwithstanding any law to the contrary, for the purpose of any law relating to security interests, a membership interest, governance rights, and financial rights are each a general intangible, as defined in section 336.9-106, and not a certificated security as defined in section 336.8-102(1)(a) and not an uncertificated security as defined in section 336.8-102(1)(b) and not chattel paper as defined in section 336.9-105(1)(b) and not an instrument as defined in section 336.9-105(1)(i) and not an account as defined in section 336.9-106.

Sec. 32. Minnesota Statutes 1992, section 322B.306, subdivision 1, is amended to read:

Subdivision 1. [MEMBER'S POWER TO TERMINATE MEMBERSHIP.] A member always has the power, though not necessarily the right, to terminate its membership by resigning or retiring at any time. A member's resignation or retirement, whether rightful or wrongful, causes dissolution under section 322B.80, subdivision 1, clause (5), unless dissolution avoidance consent is obtained from the remaining members is avoided under that clause. A member has no power to transfer all or part of the member's membership interest, except as provided in sections 322B.31 and 322B.313.

Sec. 33. Minnesota Statutes 1992, section 322B.306, subdivision 3, is amended to read:

Subd. 3. [EFFECT OF TERMINATION OF MEMBERSHIP ON THE GOVERNANCE RIGHTS OF THE TERMINATED MEMBER.] If for any reason the continued membership of a member is terminated:

(1) if dissolution under section 322B.80, subdivision 1, clause (5), is avoided through dissolution avoidance consent under that clause, then the member whose membership has terminated loses all governance rights and will be considered merely an assignee of the financial rights owned before the termination of membership; and

(2) if dissolution under section 322B.80, subdivision 1, clause (5), is not avoided through dissolution avoidance consent under that clause, the member whose continued membership has terminated retains all governance rights and financial rights owned before the termination of the membership and may exercise those rights through the winding up and termination of the limited liability company.

Sec. 34. Minnesota Statutes 1992, section 322B.306, subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL EFFECTS IF TERMINATION OF MEMBERSHIP IS WRONGFUL.] If a member resigns or retires in contravention of the articles of organization or a member control agreement then:

(1) if dissolution avoidance consent is obtained, the member who has wrongfully resigned or retired is liable to all the other members and to the limited liability company to the extent damaged by the wrongful resignation or retirement; and

(2) if dissolution avoidance consent is not obtained but the business of the limited liability company is continued under a business continuation agreement, then unless otherwise provided in the business continuation agreement:

~~(i) the member who has wrongfully resigned or retired has the right as against the successor organization to have the value of the resigned or retired membership interest determined and paid in cash; but~~

~~(ii) in ascertaining the value of the resigned or retired membership interest, the value of the goodwill of the business must not be considered, section 322B.873 applies.~~

Sec. 35. Minnesota Statutes 1992, section 322B.31, subdivision 3, is amended to read:

Subd. 3. [RESTRICTIONS OF ASSIGNMENT OF FINANCIAL RIGHTS.] (a) A restriction on the assignment of financial rights may be imposed in the articles, in the operating agreement, by a resolution adopted by the members, or by an agreement among or other written action by members or among them and the limited liability company. A restriction is not binding with respect to financial rights reflected in the required records before the adoption of the restriction, unless the owners of those financial rights are parties to the agreement or voted in favor of the restriction.

(b) Subject to paragraph (c), a written restriction on the assignment of financial rights that is not manifestly unreasonable under the circumstances and is noted conspicuously in the required records may be enforced against the owner of the restricted financial rights or a successor or transferee of the owner, including a pledgee or a legal representative. Unless noted conspicuously in the required records, a restriction, even though permitted by this section, is ineffective against a person without knowledge of the restriction.

(c) With regard to restrictions on the assignment of financial rights, a would-be assignee of financial rights is entitled to rely on a statement of membership interest issued by the limited liability company under section 322B.30. A restriction on the assignment of financial rights, which is otherwise valid and in effect at the time of the issuance of a statement of membership interest but which is not reflected in that statement, is ineffective against an assignee who takes an assignment in reliance on the statement.

(d) Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a security interest in a member's financial rights may be foreclosed and otherwise enforced, and a secured party may assign a member's financial rights in accordance with chapter 336, without the consent or approval of the member whose financial rights are subject to the security interest.

Sec. 36. Minnesota Statutes 1992, section 322B.313, is amended to read:

~~322B.313 [ASSIGNMENT OF A COMPLETE MEMBERSHIP INTEREST AND OF GOVERNANCE RIGHTS COUPLED WITH AN ASSIGNMENT OF FINANCIAL RIGHTS.]~~

~~Subdivision 1. [TRANSFER OF MEMBERSHIP INTERESTS GOVERNANCE RIGHTS RESTRICTED.] A member may assign the member's full membership interest only by assigning all of the member's governance rights coupled with a simultaneous assignment to the same assignee of all the member's financial rights. A member's governance rights are assignable, in whole or in part, only as provided in this section.~~

Subd. 2. [WHEN UNANIMOUS CONSENT REQUIRED.] Subject to subdivision 6, a member may, without the consent of any other member, assign governance rights, in whole or in part, to another person already a member at the time of the assignment. Any other assignment of any governance rights is effective only if all the members, other than the member seeking to make the assignment, approve the assignment by unanimous written consent, unless the articles of organization provide for written consent by fewer than all members. Subject to subdivision 6, a member may grant a security interest in a complete membership interest or governance rights without obtaining the consent required by this subdivision. However, a secured party may not take or assign ownership of governance rights without first obtaining the consent required by this subdivision. If a secured party has a security interest in both a member's financial rights and governance rights, including a security interest in a complete membership interest, this subdivision's requirement that the secured party obtain consent applies only to taking or assigning ownership of the governance rights and does not apply to taking or assigning ownership of the financial rights.

Subd. 3. [EFFECT ON MEMBERSHIP.] When an assignment of governance rights ~~coupled with financial rights~~ is effective under subdivision 2:

(1) if the assignment is not a security interest, the assignee becomes a member, if not already a member; and

(2) if the assignor does not retain any governance rights, the assignor ceases to be a member, and the unanimous written consent required under subdivision 2, clause (2), also constitutes the dissolution avoidance consent necessary to avoid dissolution that would otherwise ensue under section 322B.80, subdivision 1, clause (5), on account of the assignor ceasing to be a member if the consent required to avoid dissolution is not greater than the consent required under subdivision 2.

Subd. 4. [EFFECT ON LIABILITY FOR CONTRIBUTIONS AND ILLEGAL DISTRIBUTIONS.] When an assignment other than a security interest is effective under subdivision 2, unless the written consent under subdivision 2 otherwise provides:

(1) the assignee is liable for any in proportion to the interest assigned for the obligations of the assignor under sections 322B.40 (including liability for unperformed promises that have been reflected as contributions in the required records) and 322B.55 existing at the time of transfer, except to the extent that, at the time the assignee became a member, the liability was unknown to the assignee, and could not be ascertained from the required records; and

(2) the assignor is not released from liability to the limited liability company for obligations of the assignor existing at the time of transfer under sections 322B.40 and 322B.55.

Subd. 5. [CONSEQUENCES OF INEFFECTIVE ASSIGNMENT.] If any purported or attempted assignment of governance rights is ineffective for failure to obtain the consent required in subdivision 2:

(1) the purported or attempted assignment is ineffective in its entirety; and

(2) any assignment of financial rights that accompanied the purported or attempted assignment of governance rights is void.

Subd. 6. [RESTRICTIONS ON ASSIGNMENT OF GOVERNANCE RIGHTS.] Restrictions on the transfer of governance rights may be imposed following the same procedures and under the same conditions as stated in section 322B.31, subdivision 3, for restricting the transfer of financial rights.

Subd. 7. [FORECLOSURE OF SECURITY INTEREST.] Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a security interest in a member's full membership interest or governance rights may be foreclosed and otherwise enforced, and a secured party may assign a member's complete membership interest or governance rights in accordance with chapter 336, all without the consent or approval of the member whose full membership interest or governance rights are the subject of the security interest.

Sec. 37. Minnesota Statutes 1992, section 322B.316, is amended to read:

322B.316 [EFFECTIVE DATE OF ASSIGNMENTS.]

Any permissible and otherwise valid assignment of financial rights under section 322B.31 and or of governance rights coupled with financial rights or a complete membership interest under section 322B.313 will be effective as to and binding on the limited liability company only when the assignee's name, address, and the nature and extent of the assignment are reflected in the required records of the limited liability company, except that a permissible and otherwise valid security interest in a complete membership interest, financial rights, or governance rights will be effective as to and binding on the limited liability company as provided in chapter 336 whether or not the information about the secured party or the permissible and otherwise valid security interest is reflected in the required records of the limited liability company.

Sec. 38. Minnesota Statutes 1992, section 322B.323, subdivision 2, is amended to read:

Subd. 2. [WHEN MEMBERSHIP IS TERMINATED.] If an event referred to in subdivision 1 causes the termination of a member's membership interest and ~~the remaining members give dissolution avoidance consent~~ is avoided under section 322B.80, subdivision 1, clause (5), then:

(1) as provided in section 322B.306, subdivision 3, the terminated member's interest will be considered to be merely that of an assignee of the financial rights owned before the termination of membership; and

(2) the rights to be exercised by the legal representative of the terminated member will be limited accordingly.

Sec. 39. Minnesota Statutes 1992, section 322B.373, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED RECORDS.] A limited liability company shall keep at its principal executive office, or at another place or places within the United States determined by the board of governors:

- (1) a current list of the full name and last-known business, residence, or mailing address of each member, governor, and chief manager;
- (2) a current list of the full name and last-known business, residence, or mailing address of each assignee of financial rights other than a secured party, and a description of the rights assigned;
- (3) a copy of the articles of organization and all amendments to the articles;
- (4) copies of any currently effective written operating agreement;
- (5) copies of the limited liability company's federal, state, and local income tax returns and reports, if any, for the three most recent years;
- (6) financial statements required by section 322B.376;
- (7) records of all proceedings of members for the last three years;
- (8) records of all proceedings of the board of governors for the last three years;
- (9) reports made to members generally within the last three years;
- (10) member control agreements described in section 322B.37;
- (11) a statement of all contributions accepted under section 322B.40, subdivision 3, including for each contribution:
  - (i) the identity of the member to whom the contribution relates;
  - (ii) the class or series to which the contribution pertains;
  - (iii) the amount of cash accepted by the limited liability company or promised to be paid to the limited liability company;
  - (iv) a description of any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company; and
  - (v) the value accorded under section 322B.40, subdivision 4 to:
    - (A) any other property transferred or promised to be transferred to the limited liability company; and
    - (B) any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company;
- (12) a statement of all contribution agreements made under section 322B.42, including for each contribution agreement:
  - (i) the identity of the would-be contributor;
  - (ii) the class or series to which the future contribution pertains; and
  - (iii) as to each future contribution to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;
- (13) a statement of all contribution allowance agreements made under section 322B.43, including for each contribution allowance agreement:
  - (i) the identity of the would-be contributor;
  - (ii) the class or series to which the future contribution would pertain; and
  - (iii) as to each future contribution allowed to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;

(14) an explanation of any restatement of value made under section 322B.41;

(15) any written consents obtained from members under this chapter;

(16) a copy of agreements, contracts, or other arrangements or portions of them incorporated by reference under section 322B.40, subdivision 6.

Sec. 40. Minnesota Statutes 1992, section 322B.54, subdivision 3, is amended to read:

Subd. 3. [EFFECT MEASURED.] (a) In the case of a distribution made by a limited liability company in connection with a redemption of its membership interests, the effect of the distribution must be measured as of the date on which money or other property is transferred, or indebtedness payable in installments or otherwise is incurred, by the limited liability company, or as of the date on which the member ceases to be a member of the limited liability company, whichever is the earliest.

(b) The effect of any other distribution must be measured as of the date of its authorization if payment occurs 120 days or less following the date of authorization, or as of the date of payment if payment occurs more than 120 days following the date of authorization.

(c) Indebtedness of a limited liability company incurred or issued in a distribution in accordance with this section to a member who as a result of the transaction is no longer a member is on a parity with the indebtedness of the limited liability company to its general unsecured creditors, except to the extent subordinated, agreed to, or secured by a pledge of any assets of the limited liability company or a related ~~limited liability company~~ organization, or subject to any other agreement between the limited liability company and the member.

(d) Sections 322B.54 to 322B.56 supersede all other statutes of this state with respect to distributions, and the provisions of sections 513.41 to 513.51 do not apply to distributions made by a limited liability company governed by this chapter.

Sec. 41. Minnesota Statutes 1992, section 322B.693, subdivision 1, is amended to read:

Subdivision 1. [PREREQUISITES.] A limited liability company may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist a person, if the transaction, or a class of transactions to which the transaction belongs, is approved by the affirmative vote of a majority of the governors present and:

(1) is in the usual and regular course of business of the limited liability company;

(2) is with, or for the benefit of, a related ~~limited liability company~~ organization, an organization in which the limited liability company has a financial interest, an organization with which the limited liability company has a business relationship, or an organization to which the limited liability company has the power to make donations;

(3) is with, or for the benefit of, a member who provides services to the limited liability company, or a manager or other employee of the limited liability company or a subsidiary, including a member, manager or employee who is a governor of the limited liability company or a subsidiary, and may reasonably be expected, in the judgment of the board of governors, to benefit the limited liability company; or

(4) has been approved by the owners of two-thirds of the voting power of persons other than the interested person or persons, or the unanimous affirmative vote of all members, whether or not ordinarily entitled to vote.

Sec. 42. Minnesota Statutes 1992, section 322B.696, is amended to read:

322B.696 [ADVANCES.]

A limited liability company may, without a vote of the governors or its members, advance money to its members who provide services, governors, managers, or employees to cover expenses that can reasonably be anticipated to be incurred by them in the performance of their duties and for which they would be entitled to reimbursement in the absence of an advance.

Sec. 43. Minnesota Statutes 1992, section 322B.699, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Limited liability company" includes a domestic or foreign limited liability company that was the predecessor of the limited liability company referred to in this section in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(c) "Official capacity" means (1) with respect to a governor, the position of governor in a limited liability company, (2) with respect to a person other than a governor, the elective or appointive office or position held by a manager, member of a committee of the board of governors, or the employment relationship undertaken by an employee of the limited liability company, or the scope of the services provided by members of the limited liability company who provide services to the limited liability company, and (3) with respect to a governor, manager, member, or employee of the limited liability company who, while a member, governor, manager, or employee of the limited liability company, is or was serving at the request of the limited liability company or whose duties in that position involve or involved service as a governor, director, manager, officer, member, partner, trustee, employee, or agent of another organization or employee benefit plan, the position of that person as a governor, director, manager, officer, member, partner, trustee, employee, or agent, as the case may be, of the other organization or employee benefit plan.

(d) "Proceeding" means a threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of the limited liability company.

(e) "Special legal counsel" means counsel who has not represented the limited liability company or a related ~~limited liability company~~ organization, or a governor, manager, member of a committee of the board of governors, or employee, whose indemnification is in issue.

Sec. 44. Minnesota Statutes 1992, section 322B.77, subdivision 1, is amended to read:

Subdivision 1. [MEMBER APPROVAL AND WHEN NOT REQUIRED.] A limited liability company, by affirmative vote of a majority of the governors present, may sell, lease, transfer, or otherwise dispose of all or substantially all of its property and assets in the usual and regular course of its business and grant a mortgage of or security interest in and otherwise encumber and assign for purposes of security all or substantially all of its property and assets whether or not in the usual and regular course of its business, upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the board of governors considers expedient, in which case no member approval is required.

Sec. 45. Minnesota Statutes 1992, section 322B.77, subdivision 3, is amended to read:

Subd. 3. [SIGNING OF DOCUMENTS.] Confirmatory deeds, assignments, or similar instruments to evidence a sale, lease, transfer, or other disposition may be signed and delivered at any time in the name of the transferor by its current managers or authorized agents or, if the limited liability company no longer exists, by its last managers.

Sec. 46. Minnesota Statutes 1992, section 322B.80, subdivision 1, is amended to read:

Subdivision 1. [DISSOLUTION EVENTS.] A limited liability company dissolves upon the occurrence of any of the following events:

- (1) when the period fixed in the articles of organization for the duration of the limited liability company expires;
- (2) by order of a court pursuant to sections 322B.833 and 322B.843;
- (3) by action of the organizers pursuant to section 322B.803;
- (4) by action of the members pursuant to section 322B.806; or
- (5) upon the occurrence of an event that terminates the continued membership of a member in the limited liability company, including:
  - (i) death of any member;

- (ii) retirement of any member;
- (iii) resignation of any member;
- (iv) redemption of a member's complete membership interest;
- (v) assignment of a member's governance rights under section 322B.313 which leaves the assignor with no governance rights;
- (vi) a buy-out of a member's membership interest under section 322B.833 that leaves that member with no governance rights;
- (vii) expulsion of any member;
- (viii) bankruptcy of any member;
- (ix) dissolution of any member;
- (x) a merger in which the limited liability company is not the surviving organization;
- (xi) an exchange in which the limited liability company is not the acquiring organization; or
- (xii) the occurrence of any other event that terminates the continued membership of a member in the limited liability company,

but the limited liability company is not dissolved and is not required to be wound up by reason of any event that terminates the continued membership of a member if (A) either there are at least two remaining members or a new member is admitted as provided in section 322B.11, and (B) the existence and business of the limited liability company is continued either by the consent of all the remaining members under a right to ~~do so~~ consent stated in the articles of organization and the consent is obtained no later than 90 days after the termination of the continued membership or under a separate right to continue stated in the articles of organization.

Sec. 47. Minnesota Statutes 1992, section 322B.80, is amended by adding a subdivision to read:

Subd. 3. [SECURITY INTERESTS.] Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a limited liability company is not dissolved and is not required to be wound up upon the granting of a security interest in a member's membership interest, governance rights, or financial rights, or upon the foreclosure or other enforcement of a security interest in a member's financial rights, or upon the secured party's assignment, acceptance, or retention of a member's financial rights in accordance with chapter 336.

Sec. 48. Minnesota Statutes 1992, section 322B.873, is amended to read:

322B.873 [DISPOSITION OF ASSETS UPON DISSOLUTION.]

Subdivision 1. [DISPOSITION UPON LIQUIDATION.] Subject to subdivision 4, except when the business of a dissolved limited liability company is being continued under subdivision 2 or when the dissolved limited liability company is being wound up and terminated under section 322B.81, subdivision 3, the assets of the dissolved limited liability company must be disposed of to satisfying liabilities according to the following priorities:

(1) to creditors, including members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the limited liability company other than liabilities for interim distributions to members under section 322B.51 or termination distributions under section 322B.50;

(2) unless otherwise provided in the articles of organization, to members and former members of the limited liability company in satisfaction of liabilities for distributions under section 322B.50 or 322B.51; and

(3) unless otherwise provided in the articles of organization, to members first for a return of their contributions, as restated from time to time under section 322B.41, and secondly respecting their membership interests in the proportions in which the members share in distributions.

~~A limited liability company may offset any amount due a member under this subdivision by any amount owed to the limited liability company by the member and by the amount of damages, if any, suffered by the limited liability company as a result of that member's breach of a member control agreement.~~

Subd. 2. [DISPOSITION UNDER A BUSINESS CONTINUATION AGREEMENT.] If a business continuation agreement exists, then after dissolution the board of governors shall resolve to implement the business continuation agreement and the assets of the dissolved limited liability company shall be disposed of according to that agreement, except:

(1) members and former members shall have dissenters' rights as provided in sections 322B.383 and 322B.386, but:

(i) no dissenters' rights shall exist if the business of the dissolved limited liability company is being continued pursuant to a business continuation agreement made after the dissolution, and

(ii) any dissenters' rights that do exist are limited by ~~subdivision~~ subdivisions 3 and 4; and

(2) if the business of the dissolved limited liability company is being continued, but not through a merger under section 322B.81, subdivision 3, the dissolved limited liability company shall comply with either section 322B.816 or 322B.82.

Subd. 3. [LIMITATIONS ON DISSENTERS' RIGHTS.] If a person has agreed in a business continuation agreement to waive dissenters' rights and nonetheless asserts dissenters' rights under subdivision 2:

(1) those rights must be honored; but

(2) unless the business continuation agreement provides otherwise, including providing for installment payments:

(i) in determining the fair value of the membership interest, the value of the good will of the business of the dissolved limited liability company must not be considered; and

(ii) the payment due the dissenter is subject to an offset equal to:

(A) any amount owed to the limited liability company by the member;

(B) the amount of damages, if any, suffered by the limited liability company as a result of the dissenter's breach of the business continuation agreement; and

(C) ~~the amount of other damages, if any, suffered by the limited liability company as a result of any breach by the dissenter of any other member control agreement or part of a member control agreement~~ provided for in subdivision 4.

Subd. 4. [DAMAGES AND OFFSETS FOR WRONGFUL DISSOCIATION AND BREACH OF A MEMBER CONTROL AGREEMENT.] A member who wrongfully resigns or retires is liable to the limited liability company for any damages caused by the member's wrongful resignation or retirement. Any member who breaches a member control agreement is liable to the limited liability company for any damages caused by the breach. Any payment due a member under this section, including payments to dissenters due to winding up merger under section 322B.81, subdivision 3, is subject to offset these damages.

Sec. 49. [322B.901] [FOREIGN LIMITED LIABILITY PARTNERSHIPS CONSIDERED FOREIGN LIMITED LIABILITY COMPANIES.]

For the purposes of sections 322B.90 to 322B.955, the term "foreign limited liability company" includes a foreign limited liability partnership organized for profit that is organized under laws other than the laws of this state for a purpose or purposes for which a limited liability company may be organized under this chapter or for which a professional limited liability company may be organized under chapter 319A.

Sec. 50. Minnesota Statutes 1992, section 322B.91, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION INFORMATION.] Before transacting business in this state, a foreign limited liability company shall obtain a certificate of authority. An applicant for the certificate shall file with the secretary of state a certificate of status from the filing office in the jurisdiction in which the foreign limited liability company is organized and an application executed by an authorized person and setting forth:

(1) the name of the foreign limited liability company and, if different, the name under which it proposes to transact business in this state;

(2) the jurisdiction of its organization;

(3) the name and business address of the proposed registered agent in this state, which agent shall be an individual resident of this state, a domestic corporation, or a foreign corporation having a place of business in, and authorized to do business in, this state; ~~and~~

(4) the address of the office required to be maintained in the jurisdiction of its organization by the laws of that jurisdiction or, if not so required, of the principal place of business of the foreign limited liability company; and

(5) the date the foreign limited liability company expires in the jurisdiction of its organization.

Sec. 51. Minnesota Statutes 1992, section 322B.92, is amended to read:

322B.92 [AMENDMENTS TO THE CERTIFICATE OF AUTHORITY.]

If any statement in the application for a certificate of authority by a foreign limited liability company was false when made or any arrangements or other facts described have changed, making the application inaccurate in any respect, ~~including but not limited to a change in the name or address of the registered agent required to be maintained by section 322B.925,~~ the foreign limited liability company shall promptly file with the secretary of state ~~an amendment to the certificate of authority, executed by an authorized person correcting the statement;~~

(1) in the case of a change in its name, a termination or a merger, a certificate to that effect authenticated by the proper officer of the state or country under the laws of which the foreign limited liability company is organized; or

(2) in the case of a change in the name or address of the registered agent required to be maintained by section 322B.925, an amendment to the certificate of authority signed by an authorized person.

Sec. 52. Minnesota Statutes 1992, section 322B.93, is amended to read:

322B.93 [CERTIFICATE OF WITHDRAWAL.]

A foreign limited liability company authorized to transact business in this state may withdraw from this state upon procuring from the secretary of state a certificate of withdrawal. In order to procure the certificate, the foreign limited liability company shall file with the secretary of state an application for withdrawal, which must set forth:

(1) the name of the limited liability company and the state or country under the laws of which it is organized;

(2) that the limited liability company is not transacting business in this state;

(3) that the limited liability company surrenders its authority to transact business in this state;

(4) that the limited liability company revokes the authority of its registered agent in this state to accept service of process and consents to that service of process in any action, suit, or proceeding based upon any cause of action arising in this state during the time the limited liability company was authorized to transact business in this state may be made on the limited liability company by service upon the secretary of state; and

(5) a post office address to which a person may mail a copy of any process against the limited liability company.

The filing with the secretary of state of a certificate of termination or a certificate of merger if the limited liability company is not the surviving organization from the proper officer of the state or country under the laws of which the limited liability company is organized constitutes a valid application of withdrawal and the authority of the limited liability company to transact business in this state shall cease upon filing of the certificate.

Sec. 53. Minnesota Statutes 1992, section 322B.935, subdivision 2, is amended to read:

Subd. 2. [REVOCAION NOTICE.] No certificate of authority of a foreign limited liability company shall be revoked by the secretary of state unless:

(1) the secretary has given the foreign limited liability company not less than 60 days' notice by mail addressed to its registered office in this state or, if the foreign limited liability company fails to appoint and maintain a registered agent in this state, addressed to the office ~~required to be maintained pursuant to section 322B.13~~ address in the jurisdiction of organization; and

(2) during the 60-day period, the foreign limited liability company has failed to file the report of change regarding the registered agent, to file any amendment, or to correct the misrepresentation.

Sec. 54. Minnesota Statutes 1992, section 322B.935, subdivision 3, is amended to read:

Subd. 3. [EFFECTIVE DATE.] Upon the expiration of 60 days after the mailing of the notice, the authority of the foreign limited liability company to transact business in this state ceases. The secretary of state shall issue a certificate of revocation and shall mail the certificate to the address of the principal executive place of business or the office required to be maintained in the jurisdiction of organization of the foreign limited liability company.

Sec. 55. Minnesota Statutes 1992, section 334.021, is amended to read:

334.021 [CORPORATION PROHIBITED FROM INTERPOSING DEFENSE OF USURY.]

No corporation shall hereafter interpose the defense of usury in any action. The term "corporation," as used in this section, includes any cooperative corporation, cooperative association, limited liability company, or limited partnership, and further includes any association or joint stock company having any of the powers and privileges of corporations not possessed by an individual or a partnership.

Sec. 56. [EFFECTIVE DATE.]

Sections 1 to 55 are effective retroactive to January 1, 1993."

Delete the title and insert:

"A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers' compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivision 1a; 268.04, subdivision 9; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03, subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions 1, 3, and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.323, subdivision 2; 322B.373, subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021; proposing coding for new law in Minnesota Statutes, chapter 322B."

The motion prevailed and the amendment was adopted.

S. F. No. 181, A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers' compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; creating an agricultural limited liability companies task force; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivision 1a; 268.04, subdivision 9; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03,

subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions 1, 3, and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.323, subdivision 2; 322B.373, subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021; proposing coding for new law in Minnesota Statutes, chapter 322B.

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 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1199, A bill for an act relating to labor and employment; advisory councils; extending the expiration date of labor and employment related advisory councils; amending Minnesota Statutes 1992, sections 79.51, subdivision 4; 175.008; 178.02, subdivision 2; 182.656, subdivision 3; 268.363; and 326.41.

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

Seagren	Solberg	Sviggum	Trimble	Vickerman	Wejcman	Wolf
Sekhon	Sparby	Swenson	Tunheim	Wagenius	Welle	Worke
Simoneau	Stanius	Tomassoni	Van Dellen	Waltman	Wenzel	Workman
Smith	Steensma	Tompkins	Vellenga	Weaver	Winter	Spk. Long

Those who voted in the negative were:

Krinkie

The bill was passed and its title agreed to.

S. F. No. 911 was reported to the House.

Ozment and Pugh moved to amend S. F. No. 911, as follows:

Page 1, after line 9, insert:

"Section 1. [43A.321] [VOLUNTEER FIREFIGHTER AND RESCUE WORKERS; AGREEMENTS.]

(a) An employee may reach an agreement with the employee's appointing authority to respond to emergency calls as a volunteer emergency fire or rescue worker during working hours, provided that:

(1) the employee does not respond to a call when the employee's sudden absence would endanger others; and

(2) the employee remits to the appointing authority any compensation received for responding to the call.

(b) If such an agreement is entered into:

(1) the appointing authority shall make no deductions from the employee's wages or sick or vacation time for time spent responding to calls; and

(2) workers' compensation liability is the responsibility of the entity for which the emergency services are provided while the employee is responding to the call."

Renumber the remaining section

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 911, A bill for an act relating to public employment; essential employees; requiring the commissioner of the bureau of mediation services to designate separate units for peace officers and other essential employees at the request of either group of employees; amending Minnesota Statutes 1992, section 179A.09, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The Speaker called Rest to the Chair.

S. F. No. 645, A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1992, sections 222.86, subdivision 3; 222.87, by adding a subdivision; and 222.88.

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 92 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dehler	Huntley	Krueger	Olson, K.	Rice	Tunheim
Asch	Delmont	Jacobs	Lieder	Opatz	Rodosovich	Vellenga
Battaglia	Dempsey	Jaros	Lourey	Orenstein	Rukavina	Wagenius
Bauerly	Dorn	Jefferson	Luther	Orfield	Sarna	Wejcman
Beard	Evans	Johnson, A.	Mahon	Osthoff	Sekhon	Welle
Bergson	Farrell	Johnson, R.	Mariani	Ostrom	Simoneau	Wenzel
Brown, C.	Garcia	Johnson, V.	McCollum	Ozment	Skoglund	Winter
Brown, K.	Goodno	Kahn	McGuire	Pelowski	Smith	Spk. Long
Carlson	Greenfield	Kalis	Milbert	Perlt	Solberg	
Carruthers	Greiling	Kelley	Mosel	Peterson	Stanius	
Clark	Gruenes	Kelso	Munger	Pugh	Steensma	
Cooper	Gutknecht	Kinkel	Murphy	Reding	Tomassoni	
Dauner	Hasskamp	Klinzing	Neary	Rest	Tompkins	
Dawkins	Hausman	Knickerbocker	Olson, E.	Rhodes	Trimble	

Those who voted in the negative were:

Abrams	Dauids	Hugoson	Lindner	Ness	Sviggum	Wolf
Bertram	Erhardt	Jennings	Lynch	Olson, M.	Swenson	Worke
Bettermann	Frerichs	Koppendraye	Macklin	Onnen	Van Dellen	Workman
Bishop	Girard	Krinkie	Molnau	Pauly	Vickerman	
Blatz	Haukoos	Leppik	Morrison	Pawlenty	Waltman	
Commers	Holsten	Limmer	Nelson	Seagren	Weaver	

The bill was passed and its title agreed to.

Speaker pro tempore Rest called Bauerly to the Chair.

S. F. No. 952, A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; 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 94 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Jacobs	Lieder	Olson, E.	Rice	Tunheim
Anderson, R.	Dawkins	Jaros	Lourey	Onnen	Rodosovich	Van Dellen
Asch	Dehler	Jefferson	Luther	Opatz	Rukavina	Vellenga
Battaglia	Delmont	Jennings	Mahon	Orenstein	Sarna	Wagenius
Bauerly	Dorn	Johnson, A.	Mariani	Orfield	Seagren	Wejcman
Beard	Evans	Johnson, R.	McCollum	Osthoff	Sekhon	Welle
Bergson	Farrell	Kahn	McGuire	Ostrom	Simoneau	Wenzel
Bertram	Frerichs	Kelley	Milbert	Ozment	Skoglund	Winter
Bishop	Garcia	Kelso	Morrison	Pelowski	Smith	Wolf
Brown, C.	Greiling	Kinkel	Mosel	Perlt	Solberg	Spk. Long
Brown, K.	Gruenes	Klinzing	Munger	Peterson	Steensma	
Carlson	Hasskamp	Knickerbocker	Murphy	Pugh	Swenson	
Carruthers	Hausman	Krueger	Neary	Reding	Tomassoni	
Clark	Huntley	Leppik	Nelson	Rest	Trimble	

Those who voted in the negative were:

Abrams	Dempsey	Holsten	Limmer	Olson, K.	Sviggum	Workman
Bettermann	Erhardt	Hugoson	Lindner	Olson, M.	Tompkins	
Blatz	Girard	Johnson, V.	Lynch	Pauly	Vickerman	
Commers	Goodno	Kalis	Macklin	Pawlenty	Waltman	
Dauner	Gutknecht	Koppendraye	Molnau	Rhodes	Weaver	
Dauids	Haukoos	Krinkie	Ness	Stanuis	Worke	

The bill was passed and its title agreed to.

S. F. No. 1315 was reported to the House.

Clark moved to amend S. F. No. 1315, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 307.08, subdivision 2, is amended to read:

Subd. 2. A person who intentionally, willfully, and knowingly destroys, mutilates, injures, disturbs, or removes human skeletal remains or human burials burial grounds, is guilty of a felony. A person who intentionally, willfully, or knowingly removes any tombstone, monument, or structure placed in any public or private cemetery or unmarked human burial ground, or any fence, railing, or other work erected for protection or ornament, or any tree, shrub, or plant or grave goods and artifacts within the limits of the cemetery or burial ground, and a person who, without authority from the trustees, state archaeologist, or Indian affairs intertribal board, discharges any firearms upon or over the grounds of any public or private cemetery or authenticated and identified Indian burial ground, is guilty of a gross misdemeanor.

Sec. 2. [307.082] [CIVIL ACTIONS.]

A person residing within the state; the attorney general; a political subdivision of the state; an instrumentality or agency of the state; or a partnership, corporation, association, organization, or other entity having shareholders, members, partners, or employees residing within the state may maintain a civil action seeking an injunction, damages, or other appropriate relief against a person who is alleged to have violated section 307.08, subdivision 2. The action must be brought within two years after the plaintiff discovers the violation. The action may be filed in the district court of the county in which the subject burial ground is located or within which the defendant resides."

Delete the title and insert:

"A bill for an act relating to burial grounds; providing criminal penalties for the disturbance of human burial grounds; creating civil remedies for the destruction or disturbance of human burial grounds; amending Minnesota Statutes 1992, section 307.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 307."

The motion prevailed and the amendment was adopted.

S. F. No. 1315, A bill for an act relating to burial grounds; creating a council of traditional Indian practitioners to make recommendations regarding the management, treatment, and protection of Indian burial grounds and of human remains or artifacts contained in or removed from those grounds; proposing coding for new law in Minnesota Statutes, chapter 307.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Asch

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

H. F. No. 1387 was reported to the House.

Anderson, I., moved to amend H. F. No. 1387, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [176.0411] [INDEPENDENT CONTRACTOR COVERAGE.]

Notwithstanding section 176.041, any person contracting to perform work in a construction trade is an employer and is subject to section 176.181 and must be insured for workers' compensation.

Sec. 2. [182.6521] [INDEPENDENT CONTRACTORS.]

An independent contractor doing building construction or improvements in the public or private sector must comply with the occupational safety and health standards that apply under this chapter to an employer and its employees. This section applies to an independent contractor however organized including, without limitation, those organized as a partnership, sole proprietorship, or corporation.

Sec. 3. [STUDY; INDEPENDENT CONTRACTORS.]

Subdivision 1. [UNEMPLOYMENT COMPENSATION.] The department of jobs and training shall study the issue of independent contractors and their compliance with unemployment compensation contribution requirements. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over unemployment compensation matters by February 1, 1994.

Subd. 2. [INCOME TAX WITHHOLDING.] The department of revenue shall study the issue of independent contractors and their compliance with income tax withholding laws. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over taxation matters.

Sec. 4. [EFFECTIVE DATE.]

This act is effective June 1, 1993, and applies to contracts entered into on and after that date."

Delete the title and insert:

"A bill for an act relating to employment; requiring workers' compensation and Occupational Safety and Health Act coverage for certain independent contractors; requiring certain reports on independent contractors; proposing coding for new law in Minnesota Statutes, chapters 176; and 182."

The motion prevailed and the amendment was adopted.

Winter and Bauerly moved to amend H. F. No. 1387, the first engrossment, as amended, as follows:

Page 1, line 8, after the period insert:

"This section does not apply if the independent contractor is an independent trucker and is the sole owner and operator of the truck used to perform the services required in a contract for trucking services."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Dauner, Nelson and Mosel moved to amend H. F. No. 1387, the first engrossment, as amended, as follows:

Page 1, line 8, after the period insert:

"This section does not apply if the total costs of the construction or improvements is less than \$3,500 and the construction or improvement is to the residence of the person contracting with the independent contractor."

A roll call was requested and properly seconded.

The question was taken on the Dauner et al amendment and the roll was called. There were 74 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauids	Haukoos	Koppendrayer	Morrison	Peterson	Van Dellen
Anderson, R.	Dehler	Holsten	Krinkie	Mosel	Rhodes	Vickerman
Bergson	Dempsey	Hugoson	Krueger	Nelson	Rodosovich	Waltman
Bertram	Dorn	Jennings	Leppik	Ness	Seagren	Weaver
Bettermann	Erhardt	Johnson, R.	Lieder	Olson, K.	Stanius	Winter
Blatz	Frerichs	Johnson, V.	Limmer	Olson, M.	Steensma	Wolf
Brown, C.	Girard	Kalis	Lindner	Opatz	Sviggum	Worke
Brown, K.	Goodno	Kelley	Lourey	Ostrom	Swenson	Workman
Commers	Gruenes	Kelso	Lynch	Pauly	Tompkins	
Cooper	Gutknecht	Kinkel	Macklin	Pawlenty	Trimble	
Dauner	Hasskamp	Klinzing	Molnau	Pelowski	Tunheim	

Those who voted in the negative were:

Anderson, I.	Delmont	Jaros	McCollum	Orfield	Sarna	Wejcman
Asch	Evans	Jefferson	McGuire	Osthoff	Sekhon	Welle
Battaglia	Farrell	Johnson, A.	Milbert	Ozment	Simoneau	Wenzel
Bauerly	Garcia	Kahn	Munger	Perlt	Skoglund	Spk. Long
Beard	Greenfield	Knickerbocker	Murphy	Pugh	Smith	
Carlson	Greiling	Lasley	Neary	Reding	Solberg	
Carruthers	Hausman	Luther	Olson, E.	Rest	Tomassoni	
Clark	Huntley	Mahon	Onnen	Rice	Vellenga	
Dawkins	Jacobs	Mariani	Orenstein	Rukavina	Wagenius	

The motion prevailed and the amendment was adopted.

H. F. No. 1387, A bill for an act relating to employment; requiring workers' compensation and Occupational Safety and Health Act coverage for certain independent contractors; requiring certain reports on independent contractors; proposing coding for new law in Minnesota Statutes, chapters 176; and 182.

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 65 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Beard	Clark	Evans	Greiling	Huntley	Johnson, A.
Asch	Bergson	Dauner	Farrell	Gutknecht	Jacobs	Johnson, R.
Battaglia	Carlson	Dawkins	Garcia	Hasskamp	Jaros	Kahn
Bauerly	Carruthers	Delmont	Greenfield	Hausman	Jefferson	Kinkel

Knickerbocker	Mariani	Oison, E.	Pugh	Sarna	Tomassoni	Spk. Long
Lasley	McCollum	Orenstein	Reding	Sekhon	Trimble	
Lieder	McGuire	Orfield	Rest	Simoneau	Vellenga	
Lourey	Milbert	Osthoff	Rice	Skoglund	Wagenius	
Luther	Munger	Ozment	Rodosovich	Smith	Wejzman	
Mahon	Murphy	Perlt	Rukavina	Solberg	Wenzel	

Those who voted in the negative were:

Abrams	Davids	Holsten	Krueger	Nelson	Seagren	Weaver
Anderson, R.	Dehler	Hugoson	Leppik	Ness	Stantius	Welle
Bertram	Dempsey	Jennings	Limmer	Olson, K.	Steensma	Winter
Bettermann	Dorn	Johnson, V.	Lindner	Olson, M.	Sviggum	Wolf
Bishop	Erhardt	Kalis	Lynch	Onnen	Swenson	Worke
Blatz	Frerichs	Kelley	Macklin	Ostrom	Tompkins	Workman
Brown, C.	Girard	Kelso	Molnau	Pauly	Tunheim	
Brown, K.	Goodno	Klinzing	Morrison	Pawlenty	Van Dellen	
Commers	Gruenes	Koppendrayner	Mosel	Pelowski	Vickerman	
Cooper	Haukoos	Krinkie	Neary	Rhodes	Waltman	

The bill was not passed, as amended.

S. F. No. 1158, A bill for an act relating to workers' compensation; modifying provisions relating to adjustment of benefits; amending Minnesota Statutes 1992, section 176.645, 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 70 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Huntley	Lasley	Murphy	Reding	Tomassoni
Anderson, R.	Dawkins	Jacobs	Lieder	Neary	Rest	Trimble
Asch	Delmont	Jaros	Lourey	Olson, E.	Rice	Tunheim
Battaglia	Dorn	Jefferson	Luther	Olson, K.	Rodosovich	Vellenga
Beard	Evans	Johnson, A.	Mahon	Orenstein	Rukavina	Wagenius
Brown, C.	Garcia	Johnson, R.	Mariani	Orfield	Sarna	Wejzman
Brown, K.	Greenfield	Kahn	McCollum	Osthoff	Sekhon	Welle
Carlson	Greiling	Kelley	McGuire	Ozment	Simoneau	Wenzel
Carruthers	Hasskamp	Kinkel	Milbert	Perlt	Skoglund	Winter
Clark	Hausman	Krueger	Munger	Pugh	Smith	Spk. Long

Those who voted in the negative were:

Abrams	Davids	Holsten	Krinkie	Nelson	Peterson	Vickerman
Bauerly	Dehler	Hugoson	Leppik	Ness	Rhodes	Waltman
Bergson	Dempsey	Jennings	Limmer	Olson, M.	Seagren	Weaver
Bertram	Erhardt	Johnson, V.	Lindner	Onnen	Stantius	Wolf
Bettermann	Frerichs	Kalis	Lynch	Opatz	Steensma	Worke
Bishop	Girard	Kelso	Macklin	Ostrom	Sviggum	Workman
Blatz	Goodno	Klinzing	Molnau	Pauly	Swenson	
Commers	Gruenes	Knickerbocker	Morrison	Pawlenty	Tompkins	
Dauner	Gutknecht	Koppendrayner	Mosel	Pelowski	Van Dellen	

The bill was passed and its title agreed to.

The Speaker called Rodosovich to the Chair.

H. F. No. 199, A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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 103 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Jacobs	Lasley	Neary	Pugh	Sviggum
Anderson, R.	Dauner	Jaros	Leppik	Nelson	Reding	Swenson
Asch	Dawkins	Jefferson	Lieder	Ness	Rest	Tomassoni
Battaglia	Delmont	Jennings	Lourey	Olson, E.	Rhodes	Trimble
Bauerly	Dempsey	Johnson, A.	Luther	Olson, K.	Rice	Tunheim
Beard	Dorn	Johnson, R.	Lynch	Opatz	Rodosovich	Vellenga
Bergson	Erhardt	Johnson, V.	Macklin	Orenstein	Rukavina	Wagenius
Bertram	Evans	Kahn	Mahon	Orfield	Sarna	Weaver
Bishop	Farrell	Kalis	Mariani	Osthoff	Sekhon	Wejzman
Brown, C.	Garcia	Kelley	McCollum	Ostrom	Simoneau	Welle
Brown, K.	Greenfield	Kelso	McGuire	Ozment	Skoglund	Wenzel
Carlson	Greiling	Kinkel	Milbert	Pawlenty	Smith	Winter
Carruthers	Hasskamp	Klinzing	Mosel	Pelowski	Solberg	Spk. Long
Clark	Hausman	Knickerbocker	Munger	Perit	Sparby	
Commers	Huntley	Krueger	Murphy	Peterson	Steensma	

Those who voted in the negative were:

Abrams	Frerichs	Haukoos	Limmer	Onnen	Van Dellen	Workman
Bettermann	Girard	Holsten	Lindner	Pauly	Vickerman	
Blatz	Goodno	Hugoson	Molnau	Seagren	Waltman	
Davids	Gruenes	Koppendrayer	Morrison	Stanius	Wolf	
Dehler	Gutknecht	Krinkie	Olson, M.	Tompkins	Worke	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

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

## GENERAL ORDERS

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

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Thursday, May 6, 1993. The motion prevailed.

## MOTION FOR RECONSIDERATION

Asch moved that the vote whereby S. F. No. 1619, as amended, was not passed on Monday, May 3, 1993, be now reconsidered. The motion prevailed.

S. F. No. 1619, as amended, was again reported to the House.

## CALL OF THE HOUSE

On the motion of Stanius and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

Anderson, I., 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.

S. F. No. 1619, A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; resort acquisition; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Huntley	Lieder	Orenstein	Sekhon	Welle
Anderson, R.	Dawkins	Jaros	Lourey	Orfield	Skoglund	Winter
Battaglia	Dorn	Jefferson	Mariani	Ostrom	Solberg	Wolf
Bishop	Erhardt	Jennings	McCollum	Pauly	Sparby	Spk. Long
Blatz	Evans	Johnson, R.	McGuire	Pelowski	Tomassoni	
Brown, C.	Farrell	Kahn	Morrison	Peterson	Trimble	
Brown, K.	Garcia	Kelley	Murphy	Reding	Tunheim	
Carlson	Greenfield	Kinkel	Neary	Rhodes	Vellenga	
Carruthers	Greiling	Lasley	Olson, E.	Rice	Wagenius	
Clark	Hausman	Leppik	Olson, K.	Rukavina	Wejcman	

Those who voted in the negative were:

Anderson, I.	Dehler	Holsten	Krinkie	Mosel	Pugh	Swenson
Asch	Delmont	Hugoson	Krueger	Nelson	Rest	Tompkins
Bauerly	Dempsey	Jacobs	Limmer	Ness	Rodosovich	Van Dellen
Beard	Frerichs	Johnson, A.	Lindner	Olson, M.	Sarna	Vickerman
Bergson	Girard	Johnson, V.	Luther	Onnen	Seagren	Waltman
Bertram	Goodno	Kalis	Lynch	Opatz	Simoneau	Weaver
Bettermann	Gruenes	Kelso	Macklin	Osthoff	Smith	Wenzel
Cooper	Gutknecht	Klinzing	Mahon	Ozment	Stanis	Worke
Dauner	Hasskamp	Knickerbocker	Milbert	Pawlenty	Steensma	Workman
Davids	Haukoos	Koppendrayner	Molnau	Perlt	Sviggum	

The bill was not passed, as amended.

## MOTIONS AND RESOLUTIONS

Sparby moved that the name of Peterson be added as an author on H. F. No. 1765. The motion prevailed.

Nelson moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the Dehler amendment to H. F. No. 1178, the third engrossment, as amended." The motion prevailed.

Ness moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the final passage of H. F. No. 1404, as amended by the Senate." The motion prevailed.

Rest moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, April 27, 1993, when the vote was taken on the final passage of S. F. No. 1613, as amended." The motion prevailed.

Jennings moved that H. F. No. 1051 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. 1178:

Greenfield, Cooper, Lourey, Leppik and Frerichs.

## ADJOURNMENT

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Thursday, May 6, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 6, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Pastor Mark Poorman, Associate Pastor of Woodcrest Baptist Church, Fridley, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Mariani and Welle were excused until 9:45 a.m. Knickerbocker was excused until 9:55 a.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 34 and H. F. No. 37, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Beard moved that the rules be so far suspended that S. F. No. 34 be substituted for H. F. No. 37 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 253 and H. F. No. 1575, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rhodes moved that S. F. No. 253 be substituted for H. F. No. 1575 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 521 and H. F. No. 818, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 521 be substituted for H. F. No. 818 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1054 and H. F. No. 1203, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Mahon moved that the rules be so far suspended that S. F. No. 1054 be substituted for H. F. No. 1203 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1114 and H. F. No. 1636, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 1114 be substituted for H. F. No. 1636 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1297 and H. F. No. 1407, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Milbert moved that the rules be so far suspended that S. F. No. 1297 be substituted for H. F. No. 1407 and that the House File be indefinitely postponed. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 3, 1993

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

Dear Speaker Long:

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

H. F. No. 1474, relating to county records; providing for the use of certain fees.

H. F. No. 477, relating to traffic regulations; increasing the fine for child passenger restraint system violations.

H. F. No. 237, relating to counties; providing procedures for the combination of the offices of auditor and treasurer.

H. F. No. 804, relating to health; providing an exception to the contested case hearing process required for changing the service area of an ambulance service.

H. F. No. 57, relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement.

H. F. No. 592, relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead insurance proceeds; increasing the exemption for motor vehicles modified to accommodate a disability.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 3, 1993

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

Dear Speaker Long:

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

H. F. No. 1525, relating to occupations and professions; abstracters; providing for certain applicants to be exempt from the bond and liability insurance requirement.

H. F. No. 670, relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1993	Date Filed 1993
431		71	4:31 p.m. May 3	May 3
	1474	73	4:18 p.m. May 3	May 3
	477	74	4:20 p.m. May 3	May 3
	237	75	3:24 p.m. May 3	May 3
	804	76	4:28 p.m. May 3	May 3
	1525	77	4:37 p.m. May 3	May 3
	57	78	4:27 p.m. May 3	May 3
	592	79	4:29 p.m. May 3	May 3
	670	81	4:35 p.m. May 3	May 3
163		82	4:33 p.m. May 3	May 3

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 4, 1993

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

Dear Speaker Long:

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

H. F. No. 783, relating to the city of Albert Lea; actuarial assumptions for the Albert Lea fire department relief association.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 4, 1993

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

Dear Speaker Long:

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

H. F. No. 576, relating to state government; providing for appointments to advisory task forces, councils, and committees, administrative boards, and agencies; clarifying reporting requirements and term limits.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1993	Date Filed 1993
	783	72	1:55 p.m. May 4	May 4
	576	80	2:57 p.m. May 4	May 4

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## SECOND READING OF SENATE BILLS

S. F. Nos. 34, 253, 521, 1054, 1114 and 1297 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Simoneau, Greenfield, Skoglund, Abrams and Limmer introduced:

H. F. No. 1769, A bill for an act relating to agriculture; repealing the milk over-order premium law; repealing Laws 1993, chapter 65, sections 9, 12, and 14.

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:

Madam Speaker:

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

H. F. No. 1018, A bill for an act relating to limited liability companies; requiring biennial registration; proposing coding for new law in Minnesota Statutes, chapter 322B.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 648, A bill for an act relating to counties; permitting Itasca and Polk counties to consolidate the offices of auditor and treasurer.

H. F. No. 874, A bill for an act relating to traffic regulations; authorizing cities of the second class to establish programs for citizen enforcement of laws governing parking spaces for persons with disabilities; amending Minnesota Statutes 1992, section 169.346, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 1408, A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 168, A bill for an act relating to state government; authorizing state agencies to enter into contracts with regional organizations; proposing coding for new law in Minnesota Statutes, chapter 15.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Krueger moved that the House concur in the Senate amendments to H. F. No. 168 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 168, A bill for an act relating to state government; authorizing state agencies to enter into contracts with regional organizations; proposing coding for new law in Minnesota Statutes, chapter 15.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1398, A bill for an act relating to traffic regulations; directing commissioner of transportation to study and report on traffic safety improvement measures in residential neighborhoods.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Evans moved that the House concur in the Senate amendments to H. F. No. 1398 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1398, A bill for an act relating to traffic regulations; defining residential roadways and establishing speed limits; amending Minnesota statutes 1992, sections 169.01, by adding a subdivision; 169.06, by adding a subdivision; and 169.14, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 622, A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.11; and 473H.12.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Orfield moved that the House concur in the Senate amendments to H. F. No. 622 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 622, A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.11; and 473H.12.

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 111 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Hausman	Klinzing	Murphy	Peterson	Swenson
Anderson, R.	Dauner	Holsten	Koppendraye	Neary	Pugh	Tomassoni
Asch	Dauids	Hugoson	Krueger	Nelson	Reding	Tompkins
Battaglia	Dawkins	Huntley	Lasley	Ness	Rest	Trimble
Bauerly	Delmont	Jacobs	Leppik	Olson, K.	Rhodes	Tunheim
Beard	Dempsey	Jaros	Lieder	Olson, M.	Rodosovich	Vellenga
Bergson	Dorn	Jefferson	Lourey	Onnen	Rukavina	Vickerman
Bertram	Evans	Jennings	Luther	Opatz	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Lynch	Orenstein	Seagren	Waltman
Blatz	Garcia	Johnson, R.	Mahon	Orfield	Sekhon	Weaver
Brown, C.	Girard	Johnson, V.	McCollum	Osthoff	Simoneau	Wejzman
Brown, K.	Greenfield	Kahn	McGuire	Ostrom	Skoglund	Wenzel
Carlson	Greiling	Kalis	Milbert	Ozment	Smith	Winter
Carruthers	Gruenes	Kelley	Molnau	Pawlenty	Solberg	Worke
Clark	Gutknecht	Kelso	Mosel	Pelowski	Steensma	Spk. Long
Commers	Hasskamp	Kinkel	Munger	Perlt	Sviggum	

Those who voted in the negative were:

Abrams	Frerichs	Krinkie	Macklin	Van Dellen
Dehler	Goodno	Limmer	Pauly	Wolf
Erhardt	Haukoos	Lindner	Stanisus	Workman

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

Madam Speaker:

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

H. F. No. 854, A bill for an act relating to drivers' licenses; eliminating driver's license endorsement requirement for special transportation service drivers; amending Minnesota Statutes 1992, sections 171.02, subdivision 2; 171.10, subdivision 2; and 171.13, subdivision 5; repealing Minnesota Statutes 1992, sections 171.01, subdivision 24; and 171.323.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Wejzman moved that the House concur in the Senate amendments to H. F. No. 854 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 854, A bill for an act relating to drivers' licenses; clarifying requirement of endorsement for special transportation service drivers within the metropolitan area; abolishing examination requirement and certain fees for special transportation service drivers; amending Minnesota Statutes 1992, sections 171.02, subdivision 2; 171.10, subdivision 2; and 171.13, subdivision 5; repealing Minnesota Statutes 1992, sections 171.01, subdivision 24; and 171.323.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 882, A bill for an act relating to outdoor recreation; creating the Lake Superior water trail; proposing coding for new law in Minnesota Statutes, chapter 85.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Lourey moved that the House concur in the Senate amendments to H. F. No. 882 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 882, A bill for an act relating to outdoor recreation; creating the Lake Superior water trail; proposing coding for new law in Minnesota Statutes, chapter 85.

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	Bergson	Carlson	Dawkins	Farrell	Gruenes	Huntley
Anderson, I.	Bertram	Carruthers	Dehler	Frerichs	Gutknecht	Jacobs
Anderson, R.	Bettermann	Clark	Delmont	Garcia	Hasskamp	Jaros
Asch	Bishop	Commers	Dempsey	Girard	Haukoos	Jefferson
Battaglia	Blatz	Cooper	Dorn	Goodno	Hausman	Jennings
Bauerly	Brown, C.	Dauner	Erhardt	Greenfield	Holsten	Johnson, A.
Beard	Brown, K.	Dauids	Evans	Greiling	Hugoson	Johnson, R.

Johnson, V.	Lieder	Morrison	Orfield	Rhodes	Steensma	Weaver
Kahn	Limmer	Mosel	Osthoff	Rice	Sviggum	Wejzman
Kalis	Lindner	Munger	Ostrom	Rodosovich	Swenson	Wenzel
Kelley	Lourey	Murphy	Ozment	Rukavina	Tomassoni	Winter
Kelso	Luther	Neary	Pauly	Sarna	Tompkins	Wolf
Kinkel	Lynch	Nelson	Pawlenty	Seagren	Trimble	Worke
Klinzing	Macklin	Ness	Pelowski	Sekhon	Tunheim	Workman
Koppendraye	Mahon	Olson, K.	Perlt	Simoneau	Van Dellen	Spk. Long
Krinkie	McCollum	Olson, M.	Peterson	Skoglund	Vellenga	
Krueger	McGuire	Onnen	Pugh	Smith	Vickerman	
Lasley	Milbert	Opatz	Reding	Solberg	Wagenius	
Leppik	Molnau	Orenstein	Rest	Stanis	Waltman	

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

Madam Speaker:

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

H. F. No. 974, A bill for an act relating to the capitol area architectural and planning board; clarifying certain duties and powers of the board; amending Minnesota Statutes 1992, section 15.50, subdivision 2, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 974 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 974, A bill for an act relating to the capitol area architectural and planning board; clarifying certain duties and powers of the board; amending Minnesota Statutes 1992, section 15.50, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

S. F. No. 1315, A bill for an act relating to burial grounds; creating a council of traditional Indian practitioners to make recommendations regarding the management, treatment, and protection of Indian burial grounds and of human remains or artifacts contained in or removed from those grounds; proposing coding for new law in Minnesota Statutes, chapter 307.

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

Mr. Betzold; Mrs. Benson, J. E., and Mr. Finn.

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

Clark 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. 1315. The motion prevailed.

Madam Speaker:

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

S. F. No. 1503.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1503

A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 1; 241.01, subdivision 5; 242.195, subdivision 1; 242.51; 401.13; 611.20; 611.216, by adding a subdivision; 611.25, subdivision 3; and 626.861, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1992, sections 241.43, subdivision 2; and 611.20, subdivision 3.

May 4, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1503, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1503 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

Section 1. APPROPRIATION SUMMARY - ALL ARTICLES

	1994	1995	TOTAL
General	\$ 231,294,000	\$ 240,608,000	\$ 471,902,000
Special Revenue	4,136,000	4,136,000	8,272,000
Workers' Compensation	1,284,000	1,294,000	2,578,000
TOTAL	\$ 236,714,000	\$ 246,038,000	\$ 482,752,000

ARTICLE 2

Section 1. CRIMINAL JUSTICE; APPROPRIATIONS

The sums shown in the columns 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 years indicated for each purpose. The figures "1994" and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1994 or June 30, 1995, respectively.

SUMMARY BY FUND

	1994	1995	TOTAL
General	\$ 224,477,000	\$ 234,012,000	\$ 458,489,000
Special Revenue	4,136,000	4,136,000	8,272,000
TOTAL	\$ 228,613,000	\$ 238,148,000	\$ 466,761,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994	1995
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Sec. 2. BOARD OF PEACE OFFICER STANDARDS AND TRAINING

\$ 4,136,000	\$ 4,136,000
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This appropriation is from the peace officers training account in the special revenue fund. Any funds deposited into the peace officer training account in the special revenue fund in fiscal year 1994 or fiscal year 1995 in excess of \$4,136,000 must be transferred and credited to the general fund.

By February 1, 1994, the peace officer standards and training board shall report and make recommendations regarding reimbursements to local units of government for continuing education. This report shall include state and local goals for peace officer education, curriculum requirements for reimbursement, and an analysis of the current availability and quality of programs. The board shall develop a recommendation regarding a methodology for reimbursement that allocates resources equitably across the state and within a local unit of government; that reimburses for actual expenses incurred; and that ensures accountability for the use of reimbursement funds.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

The board also shall make recommendations regarding the use of appropriations from penalty assessments for the improvement of law enforcement education, such as development of graduate programs, scholarships, research programs, and degree incentive programs.

Sec. 3. BOARD OF PUBLIC DEFENSE

Subdivision 1. Total Appropriation

25,885,000

25,885,000

None of this appropriation shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

The amounts that may be spent from this appropriation for each program are specified in this subdivision and the following subdivisions.

Subd. 2. State Public Defender

2,415,000

2,415,000

During the biennium, legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions.

Subd. 3. District Public Defense

21,943,000

21,943,000

Of this appropriation, \$551,000 the first year and \$619,000 the second year are for provision of group insurance coverage to district public defenders who meet the eligibility standards set by the board of public defense in consultation with the commissioner of employee relations.

Subd. 4. Board of Public Defense

1,527,000

1,527,000

\$904,000 each year is for grants to the five existing public defense corporations under Minnesota Statutes, section 611.216.

\$50,000 the first year is for Indian child welfare defense corporation grants under Minnesota Statutes, section 611.216, subdivision 1a, as added by this act, to be available until June 30, 1995. The funds must be matched dollar for dollar by nonstate funds. This is a one-time appropriation.

Subd. 5. Transfers

The board of public defense may transfer unencumbered balances among the programs specified in this section after notifying the commissioner of finance. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

## Sec. 4. CORRECTIONS

197,796,000

207,352,000

The amounts that may be spent from the appropriation for each program and activity are more specifically described in the following subdivisions.

Any unencumbered balances remaining in the first year do not cancel but are available for the second year of the biennium.

Positions and administrative money may be transferred within the department of corrections as the commissioner considers necessary, upon the advance approval of the commissioner of finance.

For the biennium ending June 30, 1995, the commissioner of corrections may, with the approval of the commissioner of finance, transfer funds to or from salaries.

For the biennium ending June 30, 1995, and notwithstanding Minnesota Statutes, section 243.51, the commissioner of corrections may enter into agreements with the appropriate officials of any state, political subdivision, or the United States, for housing prisoners in Minnesota correctional facilities. Money received under the agreements is appropriated to the commissioner for correctional purposes.

During the biennium ending June 30, 1995, whenever offenders are assigned for the purpose of work under agreement with a state department or agency, local unit of government, or other government subdivision, the state department or agency, local unit of government, or other government subdivision must certify to the appropriate bargaining agent that the work performed by inmates will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits.

The commissioner of corrections shall discuss with the office of tourism the feasibility of using prison inmates in the office's tourism promotion program to respond to telephone inquiries concerning Minnesota's tourism and recreational opportunities.

The commissioner of corrections shall meet with the chairs of the house judiciary committee and judiciary finance division and the senate crime prevention committee and crime prevention finance division or their designees, and with representatives of community corrections agencies in order to: (1) develop a long-range plan for adequately incarcerating convicted offenders who have failed to abide by their conditions of probation; and (2) consider whether per diem fees should be assessed to counties for the costs of confining juveniles at the Minnesota correctional facilities at Sauk Centre and Red Wing.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

The representatives of community corrections agencies shall be selected as follows: two persons selected by the Minnesota association of community corrections act counties, one from a metropolitan county and one from a nonmetropolitan county; and two persons selected by the Minnesota association of county probation officers, one from a metropolitan county and one from a nonmetropolitan county.

The commissioner shall report the findings and recommendations of this group to the legislature by February 1, 1994.

Subdivision 1. Correctional Institutions

135,574,000

141,592,000

The commissioner of corrections shall develop criteria and prepare guidelines to be used by the department of corrections in future planning for (1) the capacities, needs, location, and security level of correctional facilities; (2) the proximity of correctional facilities to the origin of the inmate population; and (3) the recruitment and retention of a qualified workforce. The criteria and guidelines shall include the potential and projected availability of state-owned facilities, the potential use of vacant governmental facilities for use as state-owned or managed correctional facilities, the cost effectiveness of converting these facilities compared with new construction, and the availability of state employees from other state agencies as a potential workforce pool. The commissioner may consult with staff from the department of administration, building construction division, in the development of the guidelines. The guidelines shall be presented to the house judiciary committee, the senate crime prevention committee, and their finance divisions by February 1, 1994.

The advisory task force on the juvenile justice system is requested to assess the state's need for juvenile correctional facilities. The task force shall make recommendations regarding the need for secure juvenile detention centers to house both preadjudicated and postadjudicated juveniles. These recommendations shall address whether the centers should be regionally based or state controlled and whether they should provide long-term or short-term detention programs. The task force is requested to include its recommendations on this issue in the report it submits to the legislature on December 1, 1993.

Subd. 2. Community Services

47,538,000

49,489,000

Of this amount, \$500,000 is for grants to counties under Minnesota Statutes, section 169.1265, to pay the costs of developing and operating intensive probation programs for repeat DWI offenders.

\$594,000 shall be transferred in fiscal year 1995 from this appropriation to the community corrections act for base level funding for Stearns county.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

A working group is created to study the funding and delivery of correctional services at the community level. The working group will consist of representatives from and appointed by the following agencies and organizations: the governor's office, four members of the legislature (one senator and one state representative appointed by the majority caucuses in each body; and one senator and one state representative appointed by the minority caucus in each body); the department of corrections, the Minnesota association of county probation officers, the Minnesota association of community corrections act counties, the association of Minnesota counties, the metropolitan inter-county association, and the conference of chief judges.

The working group shall study whether:

- (1) community corrections service delivery systems should be based at the county or state level;
- (2) a single funding system should be instituted for county operations;
- (3) the community corrections act funding formula should be changed; and
- (4) whether small counties under a new funding system should be required to regionalize their service delivery systems. The group shall report its findings and recommendations to the appropriate committees of the legislature by February 1, 1994.

Subd. 3. Management Services

14,684,000

16,271,000

Of this amount, \$400,000 is for new battered women's shelters.

When awarding grants for victim's programs and services, the commissioner shall give priority to geographic areas that are unserved or underserved by programs or services.

Of this amount, \$500,000 is appropriated to the commissioner of corrections for mini-computer upgrades. Before the department may purchase the upgrades, the department must demonstrate to the information policy office that the upgrades will meet processing needs.

Subd. 4. Transfers

The commissioner of corrections may transfer unencumbered balances among the programs specified in this section after getting the approval of the commissioner of finance. The commissioner of finance shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee.

	APPROPRIATIONS Available for the Year Ending June 30	
	1994	1995
Sec. 5. CORRECTIONS OMBUDSMAN	459,000	459,000
Sec. 6. SENTENCING GUIDELINES COMMISSION	337,000	316,000
Sec. 7. UNCODIFIED LANGUAGE		

All uncodified language contained in this article expires on June 30, 1995, unless a different expiration is explicit.

Sec. 8. Minnesota Statutes 1992, section 3.732, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the armory building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. Notwithstanding sections 43A.02 and 611.263, for purposes of this section and section 3.736 only, "employee of the state" includes a district public defender appointed by the state board of public defense or assistant district public defender in the second or fourth judicial district.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 9. Minnesota Statutes 1992, section 43A.02, subdivision 25, is amended to read:

Subd. 25. [JUDICIAL BRANCH.] "Judicial branch" means all judges of the appellate courts, all employees of the appellate courts, including commissions, boards, and committees established by the supreme court, the board of law examiners, the law library, the office of the state public defender, district public defenders and their employees, all judges of all courts of law, district court referees, judicial officers, court reporters, law clerks, district administration employees under section 484.68, court administrator or employee of the court and guardian ad litem program employees in the eighth judicial district, and other agencies placed in the judicial branch by law. Judicial branch does not include district administration or public defenders or their employees in the second and fourth judicial districts, court administrators or their staff under chapter 485, guardians ad litem, or other employees within the court system whose salaries are paid by the county, other than employees who remain on the county payroll under section 480.181, subdivision 2.

Sec. 10. Minnesota Statutes 1992, section 43A.24, subdivision 2, is amended to read:

Subd. 2. [OTHER ELIGIBLE PERSONS.] The following persons are eligible for state paid life insurance and hospital, medical, and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements. Coverages made available, including optional coverages, are as contained in the plan established pursuant to section 43A.18, subdivision 2.

(a) a member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical, and dental benefits to which the position is entitled;

(b) a permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

(c) a judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge of county municipal court, or a judge of probate court; a district court referee, judicial officer, court reporter, or law clerk; a district administrator; an employee of the office of the district administrator that is not in the second or fourth judicial district; a court administrator or employee of the court administrator in the eighth judicial district, and a guardian ad litem program administrator in the eighth judicial district;

(d) a salaried employee of the public employees retirement association;

(e) a full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) a salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) an employee of the regents of the University of Minnesota;

(h) notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982, and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund, who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program; and

(i) an employee of an agency of the state of Minnesota identified through the process provided in this paragraph who is eligible to retire prior to age 65. The commissioner and the exclusive representative of state employees shall enter into agreements under section 179A.22 to identify employees whose positions are in programs that are being permanently eliminated or reduced due to federal or state policies or practices. Failure to reach agreement identifying these employees is not subject to impasse procedures provided in chapter 179A. The commissioner must prepare a plan identifying eligible employees not covered by a collective bargaining agreement in accordance with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph, a person retires when the person terminates active employment in state service and applies for a retirement annuity. Eligibility ends as provided in the agreement or plan, but must cease at the end of the month in which the retired employee chooses not to receive an annuity, or the employee is eligible for employer-paid health insurance from a new employer. The retired employees shall be eligible for coverages to which they were entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established under section 43A.18 for employees in positions equivalent to that from which they retired, provided that the retired employees shall not be eligible for state-paid life insurance; and

(j) employees of the state public defender's office, and district public defenders and their employees other than in the second and fourth judicial districts, with eligibility determined by the state board of public defense in consultation with the commissioner of employee relations.

Sec. 11. Minnesota Statutes 1992, section 169.1265, subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] ~~The commissioner~~ commissioners of public safety corrections and public safety, in cooperation with the ~~commissioners~~ commissioner of human services and corrections, shall jointly administer a program to provide grants to counties to establish and operate programs of intensive probation for repeat violators of the driving while intoxicated laws. The ~~commissioner~~ commissioners shall adopt an application form on which a county or a group of counties may apply for a grant to establish and operate a DWI repeat offender program.

Sec. 12. Minnesota Statutes 1992, section 241.01, subdivision 5, is amended to read:

Subd. 5. [TRAINING PROGRAM.] For the maintenance of adequate standards of operation in discharging the functions of the department, obtaining suitable candidates for positions for which there is a scarcity of qualified applicants, and the development of more effective treatment programs directed toward the correction and rehabilitation of persons found delinquent or guilty of crimes, and of more effective delinquency prevention the commissioner of corrections shall establish a training program including but not limited to in-service, preservice, internship and scholarship programs, and an operational research program. Within the limits of appropriations available, the commissioner may provide educational stipends or tuition reimbursement in such amounts and upon such terms and conditions as may be determined jointly by the commissioner of employee relations. Within the limits of appropriations therefor the commissioner shall establish and provide personnel, facilities and equipment for research and study to evaluate the effectiveness of correctional treatment in camps, facilities, probation and parole investigation and supervision and delinquency prevention.

The commissioner may provide training to public or private agencies or organizations and may require the participating agencies or organizations to pay all or part of the costs of the training. All sums of money received pursuant to the agreements shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner during that period and are appropriated annually to the commissioner of corrections for the purposes of this subdivision. Beginning July 1, 1994, the commissioner shall report annually to the chairs of the house ways and means committee and the senate finance committee on the amount and use of funds received under this subdivision.

Sec. 13. Minnesota Statutes 1992, section 241.43, subdivision 2, is amended to read:

Subd. 2. The ombudsman ~~shall designate a deputy~~ may appoint an assistant ombudsman in the unclassified service.

Sec. 14. Minnesota Statutes 1992, section 242.195, subdivision 1, is amended to read:

Subdivision 1. [SEX OFFENDER PROGRAMS.] (a) The commissioner of corrections shall provide for a range of sex offender programs, including intensive sex offender programs, for juveniles within state juvenile correctional facilities and through purchase of service from county and private residential and outpatient juvenile sex offender programs.

(b) The commissioner shall establish and operate a juvenile residential sex offender program at one of the state juvenile correctional facilities. The program must be structured to address both the therapeutic and disciplinary needs of juvenile sex offenders. The program must afford long-term residential treatment for a range of juveniles who have committed sex offenses and have failed other treatment programs or are not likely to benefit from an outpatient or a community-based residential treatment program.

Sec. 15. Minnesota Statutes 1992, section 242.51, is amended to read:

#### 242.51 [THE MINNESOTA CORRECTIONAL FACILITY-SAUK CENTRE.]

There is established the Minnesota correctional facility-Sauk Centre at Sauk Centre, Minnesota, in which may be placed persons committed to the commissioner of corrections by the courts of this state who, in the opinion of the commissioner, may benefit from the programs available thereat. The general control and management of the facility shall be under the commissioner of corrections.

The commissioner shall charge counties or other appropriate jurisdictions for the actual per diem cost of confinement of juveniles at the Minnesota correctional facility-Sauk Centre.

The commissioner shall annually determine costs making necessary adjustments to reflect the actual costs of confinement. All money received under this section must be deposited to the general fund.

Sec. 16. Minnesota Statutes 1992, section 270B.14, is amended by adding a subdivision to read:

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

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

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

Sec. 17. Minnesota Statutes 1992, section 357.24, is amended to read:

357.24 [CRIMINAL CASES.]

Witnesses for the state in criminal cases and witnesses attending on behalf of any defendant represented by a public defender or an attorney performing public defense work for a public defense corporation under section 611.216, shall receive the same fees for travel and attendance as provided in section 357.22, and. Judges also may, in their discretion, allow like fees to witnesses attending in behalf of any other defendant. In addition these witnesses shall receive reasonable expenses actually incurred for meals, loss of wages and child care, not to exceed \$40 per day. When a defendant is represented by a public defender or an attorney performing public defense work for a public defense corporation under section 611.216, neither the defendant nor the public defender shall be charged for any subpoena fees or for service of subpoenas by a public official. The compensation and reimbursement shall be paid out of the county treasury.

Sec. 18. Minnesota Statutes 1992, section 401.13, is amended to read:

401.13 [CHARGES MADE TO COUNTIES.]

Each participating county will be charged a sum equal to the actual per diem cost of confinement of those juveniles committed to the commissioner after August 1, 1973, and confined in a state correctional facility. Provided, however, that the amount charged a participating county for the costs of confinement shall not exceed the amount of subsidy to which the county is eligible. The commissioner shall annually determine costs making necessary adjustments to reflect the actual costs of confinement. However, in no case shall the percentage increase in the amount charged to the counties exceed the percentage by which the appropriation for the purposes of sections 401.01 to 401.16 was increased over the preceding biennium. The commissioner of corrections shall bill the counties and deposit the receipts from the counties in the general fund. All charges shall be a charge upon the county of commitment.

Sec. 19. Minnesota Statutes 1992, section 611.17, is amended to read:

611.17 [FINANCIAL INQUIRY; STATEMENTS.]

(a) Each judicial district must screen requests under paragraph (b).

(b) Upon a request for the appointment of counsel, the court shall make appropriate inquiry into the financial circumstances of the applicant, who shall submit a financial statement under oath or affirmation setting forth the applicant's assets and liabilities, including the value of any real property owned by the applicant, whether homestead or otherwise, less the amount of any encumbrances on the real property, the source or sources of income, and any other information required by the court. The state public defender shall furnish appropriate forms for the financial statements. The information contained in the statement shall be confidential and for the exclusive use of the court except for any prosecution under section 609.48. A refusal to execute the financial statement or produce financial records constitutes a waiver of the right to the appointment of a public defender.

Sec. 20. Minnesota Statutes 1992, section 611.20, is amended to read:

611.20 [SUBSEQUENT ABILITY TO PAY COUNSEL.]

Subdivision 1. [COURT DETERMINATION.] If at any time after the state public defender or a district public defender has been directed to act, the court having jurisdiction in the matter is satisfied that the defendant or other person is financially able to obtain counsel or to make partial payment for the representation, the court may shall terminate the appointment of the public defender, unless the person so represented is willing to pay therefor. If a public defender continues the representation, the court shall direct payment for such representation as the interests of justice may dictate. Any payments directed by the court shall be recorded by the court administrator, who shall transfer the payments to the governmental unit responsible for the costs of the public defender. The judicial district may investigate the financial status of a defendant or other person for whom a public defender has been appointed and may act to collect payments directed by the court.

If at any time after appointment a public defender should have reason to believe that a defendant is financially able to obtain counsel or to make partial payment for counsel, it shall be the public defender's duty to so advise the court so that appropriate action may be taken.

Subd. 2. [PARTIAL PAYMENT.] If the court determines that the defendant is able to make partial payment, the court shall direct the partial payments to the governmental unit responsible for the costs of the public defender. Payments directed by the court to the state shall be recorded by the court administrator who shall transfer the payments to the state treasurer.

Subd. 3. [REIMBURSEMENT.] In each fiscal year, the state treasurer shall deposit the first \$180,000 in the general fund. Payments in excess of \$180,000 shall be deposited in the general fund and credited to a separate account with the board of public defense. The amount credited to this account is appropriated to the board of public defense to reimburse the costs of attorneys providing part-time public defense services.

The balance of this account does not cancel but is available until expended. Expenditures by the board from this account for each judicial district public defense office must be based on the amount of the payments received by the state from the courts in each judicial district.

Sec. 21. Minnesota Statutes 1992, section 611.216, is amended by adding a subdivision to read:

Subd. 1a. [INDIAN CHILD WELFARE DEFENSE CORPORATION GRANTS.] (a) The board of public defense shall establish procedures for accepting applications for funding from an Indian child welfare defense corporation located in the American Indian community. The board must consult with the Minnesota Indian affairs council before making a grant under this subdivision.

(b) An "Indian child welfare defense corporation" refers to an American Indian nonprofit law corporation, having an American Indian majority on its board of directors, specializing primarily in providing culturally appropriate legal services to indigent clients or tribal representatives involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901 et seq., or the Minnesota Indian family preservation act, sections 257.35 to 257.3579.

(c) An Indian child welfare defense corporation is a "public defense corporation" for the purposes of sections 611.14 to 611.271.

Sec. 22. Minnesota Statutes 1992, section 611.25, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] The state public defender shall prepare an annual a biennial report to the board and a report to the governor, the legislature, and the supreme court on the operation of the state public defender's office, district defender systems, and public defense corporations. The biennial report is due on or before the beginning of the legislative session following the end of the biennium. The state public defender may require the reporting of statistical data, budget information, and other cost factors by the chief district public defenders and appointed counsel systems. The state public defender shall design and conduct programs for the training of all state and district public defenders, appointed counsel, and attorneys for public defense corporations funded under section 611.26. The state public defender shall establish policies and procedures to administer the district public defender system, consistent with standards adopted by the state board of public defense.

Sec. 23. Minnesota Statutes 1992, section 611.26, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] (a) The compensation of the chief district public defender shall be set by the board of public defense. The compensation of each assistant district public defender shall be set by the chief district public defender with the approval of the board of public defense. ~~The compensation for chief district public defenders may not exceed the prevailing compensation for county attorneys within the district, and the compensation for assistant district public defenders may not exceed the prevailing compensation for assistant county attorneys within the district.~~ To assist the board of public defense in determining prevailing compensation under this subdivision, counties shall provide to the board information on the compensation of county attorneys, including salaries and benefits, rent, secretarial staff, and other pertinent budget data. For purposes of this subdivision, compensation means salaries, cash payments, and employee benefits including paid time off and group insurance benefits, and other direct and indirect items of compensation including the value of office space provided by the employer.

(b) This subdivision does not limit the rights of public defenders to collectively bargain with their employers.

Sec. 24. [611.265] [TRANSITION.]

(a) District public defenders and their employees, other than in the second and fourth judicial districts, are state employees in the judicial branch, and are governed by the personnel rules adopted by the state board of public defense.

(b) A district public defender or district public defender employee who becomes a state employee under this section, and who participated in a county insurance program on the day before the effective date of this section, may elect to continue to participate in the county program according to procedures established by the board of public defense. An affected county shall bill the board of public defense for employer contributions, in a manner prescribed by the board. The county shall not charge the board any administrative fee. Notwithstanding any law to the contrary, a person who is first employed as a district public defender after the effective date of this section, shall participate in the state employee insurance program, as determined by the state board of public defense, in consultation with the commissioner of employee relations.

(c) A district public defender or district public defender employee who becomes a state employee under this section, and who participated in the public employee retirement association on the day before the effective date of this section, may elect to continue to participate in the public employee retirement association according to procedures established by the board of public defense and the association. Notwithstanding any law to the contrary, a person who is first employed as a state employee or by a district public defender after the effective date of this section must participate in the Minnesota state retirement system.

(d) A person performing district public defender work as an independent contractor is not eligible to be covered under the state group insurance plan or the public employee retirement association.

Sec. 25. Minnesota Statutes 1992, section 611.27, subdivision 4, is amended to read:

Subd. 4. [COUNTY PORTION OF COSTS.] That portion of subdivision 1 directing counties to pay the costs of public defense service shall not be in effect between July 1, 1991 1993, and July 1, 1993 1995. This subdivision only relates to costs associated with felony and gross misdemeanor public defense services in all judicial districts and to juvenile and misdemeanor public defense services in the second, third, fourth, sixth, and eighth judicial districts.

Sec. 26. Minnesota Statutes 1992, section 611.271, is amended to read:

611.271 [COPIES OF DOCUMENTS; FEES.]

The court administrators of courts, the prosecuting attorneys of counties and municipalities, and the law enforcement agencies of the state and its political subdivisions shall furnish, upon the request of the district public defender or, the state public defender, or an attorney working for a public defense corporation under section 611.216, copies of any documents, including police reports, in their possession at no charge to the public defender.

Sec. 27. Minnesota Statutes 1992, section 626.861, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICERS TRAINING ACCOUNT.] Receipts from penalty assessments must be credited to a peace officer training account in the special revenue fund. ~~For fiscal years 1993 and 1994, The peace officers standards and training board shall, and after fiscal year 1994 may, allocate~~ make the following allocations from appropriated funds, net of operating expenses, as follows:

(1) for fiscal year 1994:

(i) at least 25 percent for reimbursement to ~~board-approved~~ board-approved skills courses; and

(2) (ii) at least 13.5 percent for the school of law enforcement;

(2) for fiscal year 1995:

(i) at least 17 percent to the community college system for one-time start-up costs associated with the transition to an integrated academic program;

(ii) at least eight percent for reimbursement to board-approved skills courses in the technical college system; and

(iii) at least 13.5 percent for the school of law enforcement.

The balance in each year may be used to pay each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount must be used exclusively for reimbursement of the cost of in-service training required under this chapter and chapter 214.

Sec. 28. [AUTOMATED PROBATION REPORTING SYSTEM PILOT PROGRAM; ST. LOUIS COUNTY.]

Subdivision 1. [GRANT AWARD.] The commissioner of corrections shall award a grant of \$100,000 to St. Louis county for the purpose of demonstrating the feasibility of a pilot automated probation reporting system.

Subd. 2. [APPLICATION STUDIES.] In developing and implementing the pilot automated probation reporting system, St. Louis county shall:

(1) measure the effectiveness and potential cost of applying the reporting system technology to the county's adult probation population;

(2) study the potential for establishing a centralized state data bank which would more rapidly and accurately measure and determine criminal histories and fingerprint data of all felony, gross misdemeanor, and misdemeanor offenders; and

(3) study the application of the reporting system technology towards the elimination of fraud and abuse in other human resource areas including the electronic benefit transfer program.

Subd. 3. [PARTICIPATION REQUIREMENTS.] St. Louis county shall provide a minimum of 1.5 full-time equivalent positions and other in-kind services necessary to operate this program.

Subd. 4. [SALE OF PROGRAM.] If St. Louis county or an individual acting on behalf of the county sells the automated probation reporting system to any person or entity, the county must forward to the commissioner of corrections the profits realized from the sale, in an amount not to exceed the grant awarded under subdivision 1. The commissioner shall forward any profits received under this subdivision to the commissioner of finance, to be credited to the general fund in the state treasury.

Subd. 5. [REPORT.] St. Louis county shall report the results of its studies and the pilot program to the commissioner of corrections and the chairs of the house judiciary finance division and the senate crime prevention finance division by July 1, 1994.

Sec. 29. [SENTENCING GUIDELINES MODIFICATION; JAIL CREDIT FOR TIME SERVED UNDER HUBER LAW.]

Subdivision 1. [JAIL CREDIT FOR TIME SERVED UNDER HUBER LAW.] The sentencing guidelines commission shall consider modifying sentencing guideline III.C to provide that, upon revocation of a stayed felony sentence, time previously spent in confinement under Minnesota Statutes, section 631.425, the Huber law, as a condition of the stayed sentence shall be deducted from the executed sentence at the rate of one day for each day served.

Subd. 2. [APPLICABILITY.] If the commission adopts the modification described in subdivision 1, it shall apply to persons who commit crimes on or after August 1, 1994.

Sec. 30. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this article to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this article to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [TRANSFER PROHIBITED.] If an amount is specified in this article for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 31. [REPEALER.]

Section 20, subdivision 3, is repealed June 30, 1997. Minnesota Statutes 1992, section 270B.14, subdivision 12, is repealed June 30, 1995.

Sec. 32. [EFFECTIVE DATE.]

Section 12 is effective the day following final enactment. Sections 15 and 18 are effective July 1, 1994.

ARTICLE 3

Section 1. [APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1994	1995	TOTAL
General	\$ 2,535,000	\$ 2,374,000	\$ 4,909,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 2. GAMBLING CONTROL BOARD	1,934,000	1,934,000
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Of the total amount spent each year for compliance review activities, at least 25 percent must be spent for education and

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

outreach. For purposes of this item "education and outreach" means compliance review activities that are not of a type intended to result in the imposition by the board of a penalty against the organization being reviewed.

Sec. 3. RACING COMMISSION

366,000

200,000

Sec. 4. STATE LOTTERY BOARD

(a) The director of the state lottery shall reimburse the general fund \$150,000 the first year and \$150,000 the second year for lottery-related costs incurred by the department of public safety, and reimburse the general fund \$300,000 the first year and \$300,000 the second year for costs incurred by the department of human services.

(b) In addition, the director of the state lottery shall reimburse the general fund \$235,000 in fiscal year 1994 and \$240,000 in fiscal year 1995 from the lottery operations account from amounts currently budgeted for operating costs for additional costs incurred by the department of human services.

Sec. 5. HUMAN SERVICES

235,000

240,000

The transfer authorized in section 4, paragraph (b), is appropriated for compulsive gambling hotline services, outpatient treatment services, felony screening, and compulsive gambling youth education.

Sec. 6. Minnesota Statutes 1992, section 15A.081, subdivision 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.]

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;  
Commissioner of public safety;  
Executive director, state board of investment;  
~~Director of the state lottery;~~

\$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 trade and economic development;  
 Chief administrative law judge; office of administrative hearings;  
 Commissioner, pollution control agency;  
 Director, office of waste management;  
 Commissioner, 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. 7. Minnesota Statutes 1992, section 245.98, is amended by adding a subdivision to read:

Subd. 4. [CONTRIBUTION BY TRIBAL GAMING.] The commissioner of human services is authorized to enter into an agreement with the governing body of any Indian tribe located within the boundaries of the state of Minnesota that conducts either class II or class III gambling, as defined in section 4 of the Indian Gaming Regulatory Act, Public Law Number 100-497, and future amendments to it, for the purpose of obtaining funding for compulsive gambling programs from the Indian tribe. Prior to entering into any agreement with an Indian tribe under this section, the commissioner shall consult with and obtain the approval of the governor or governor's designated representatives authorized to negotiate a tribal-state compact regulating the conduct of class III gambling on Indian lands of a tribe requesting negotiations. Contributions collected under this subdivision are appropriated to the commissioner of human services for the compulsive gambling treatment program under this section.

Sec. 8. Minnesota Statutes 1992, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR.] A state lottery is established under the supervision and control of the director of the state lottery appointed by the governor with the advice and consent of the senate. The governor shall appoint the ~~first~~ director from a list of at least three persons recommended to the governor by the ~~governor's commission on the lottery which was appointed by the governor on December 8, 1988~~ board. The director must be qualified by experience and training to supervise the lottery. The director serves in the unclassified service. The annual salary rate authorized for the director is equal to 80 percent of the salary rate prescribed for the governor as of the effective date of this act.

Sec. 9. Minnesota Statutes 1992, section 349A.03, subdivision 2, is amended to read:

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;

(3) review and comment on lottery procurement contracts;

(4) review and comment on agreements between the director and one or more other lotteries relating to a joint lottery; and

(5) 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 349A.09; and

~~(6) to approve additional compensation for the director under subdivision 3.~~

#### Sec. 10. UNCODIFIED LANGUAGE

All uncodified language contained in this article expires on June 30, 1995, unless a different expiration is explicit.

#### Sec. 11. [CARRYFORWARD.]

Unless otherwise restricted, unencumbered operating balances from fiscal year 1994 appropriations in this act are available for fiscal year 1995.

#### Sec. 12. [SEVERABILITY.]

The provisions of this article are severable. If any provision is found to be unconstitutional, the remaining provisions shall remain valid, unless a court determines that the remaining valid provisions, standing alone, are incapable of being executed in accordance with legislative intent.

#### Sec. 13. [REPEALER.]

Minnesota Statutes 1992, section 349A.03, subdivision 3, is repealed.

#### Sec. 14. [EFFECTIVE DATE.]

Sections 9 and 13 are effective the day following final enactment.

### ARTICLE 4

#### Section 1. APPROPRIATIONS

The sums shown in the columns 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 years indicated for each purpose. The figures "1994" and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1994 or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1994	1995	TOTAL
General	\$ 1,782,000	\$ 1,722,000	\$ 3,504,000
Workers' Compensation	1,284,000	1,294,000	2,578,000
TOTAL	\$ 3,066,000	\$ 3,016,000	\$ 6,082,000

#### APPROPRIATIONS Available for the Year Ending June 30

1994	1995
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Sec. 2. WORKERS' COMPENSATION COURT OF APPEALS	\$ 1,284,000	\$ 1,294,000
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This appropriation is from the workers' compensation special compensation fund.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 3. MEDIATION SERVICES	1,782,000	1,722,000

(a) \$222,000 in each year is for grants to area labor-management committees. The unencumbered balance remaining in the first year does not cancel but is available for the second year.

(b) \$60,000 is appropriated from the general fund to the commissioner of mediation services for the fiscal year ending June 30, 1994, for the purposes of total quality management grants under Minnesota Statutes, section 179.02.

Sec. 4. [TOTAL QUALITY MANAGEMENT.]

The commissioner of mediation services shall contract with a specialist in total quality management education to provide classes on total quality management to small business and government employers. Four of the classes must be provided in the metropolitan area and four of the classes must be provided outside the metropolitan area. The classes shall provide at least 18 hours of training over a six-week period with attendance limited to 30 participants per class. The cost per participant shall not exceed \$500, with one-half of the cost paid by the employer. In at least four of the classes, participation is limited to:

(1) labor and management employees of a small business where a union represents employees; or

(2) public employees from a bargaining unit representing not more than 100 employees, and the supervisory employees and management of the public employer.

For purposes of this section, "small business" means a business with 100 or fewer employees.

Sec. 5. [TRANSFER.]

The responsibilities of the commissioner of administration for the office of dispute resolution are transferred under Minnesota Statutes, section 15.039, to the commissioner of mediation services.

Sec. 6. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this article to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this article to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [TRANSFER PROHIBITED.] If an amount is specified in this article for an item within an activity, that amount must not be transferred or used for any other purpose.

ARTICLE 5  
YOUTH WORKS

	APPROPRIATIONS Available for the Year Ending June 30	
	1994	1995
Section 1. YOUTH WORKS	\$2,500,000	\$2,500,000
<p>The continuation of base level funding in the next fiscal biennium for the youth works program shall be determined following an evaluation by the department of finance as to whether the program is achieving its intent.</p> <p>Any unencumbered balances remaining in the first year do not cancel but are available for the second year of the biennium.</p>		
Subdivision 1. Department of Education	2,345,000	2,345,000
<p>Of the appropriation, \$100,000 shall be used to establish one full-time position for capacity building, evaluation, design, and developing service learning and work-based learning. \$50,000 shall be used to establish a public private matching grant program for local organizations to provide a youth service entrepreneurship initiative contingent upon local match requirements. \$3,898,000 is for grants for the youth works program under this article.</p> <p>\$110,000 is for the education and employment transitions council, which shall oversee youth service and youth apprenticeship programs, and to provide staff for youth works task force and youth apprenticeship activities.</p> <p>Of the appropriation, \$532,000 is for community education aid in fiscal year 1995 according to Minnesota Statutes, section 124.2713, subdivision 5. This aid is in addition to an appropriation for community education aid in any other law.</p>		
Subd. 2. Higher Education Coordinating Board	115,000	115,000
<p>To the higher education coordinating board for fiscal years 1994 and 1995. The appropriation shall be used to develop and implement service learning programs in the following order of priority:</p> <p>(1) programs allowing higher education institutions to create or expand community service or work-based learning activities for students attending the institutions;</p> <p>(2) programs allowing higher education institutions to modify existing and create new courses, curricula, and extracurricular activities that effectively use service learning and work-based learning methods; and</p> <p>(3) programs allowing higher education institutions to train K-12 teachers in the skills necessary to develop, supervise, and organize community service activities, consistent with the principles of service learning.</p>		
Subd. 3. Minnesota Technology, Inc.	40,000	40,000
<p>To establish health care youth apprenticeship programs in urban and rural areas.</p>		

Sec. 2. [121.70] [SHORT TITLE.]

Sections 121.701 to 121.710 shall be cited as the "Minnesota youth works act."

Sec. 3. [121.701] [PURPOSE.]

The purposes of sections 121.701 to 121.710 are to:

- (1) renew the ethic of civic responsibility in Minnesota;
- (2) empower youth to improve their life opportunities through literacy, job placement, and other essential skills;
- (3) empower government to meet its responsibility to prepare young people to be contributing members of society;
- (4) help meet human, educational, environmental, and public safety needs, particularly those needs relating to poverty;
- (5) prepare a citizenry that is academically competent, ready for work, and socially responsible;
- (6) demonstrate the connection between youth and community service, community service and education, and education and meaningful opportunities in the business community;
- (7) demonstrate the connection between providing opportunities for at-risk youth and reducing crime rates and the social costs of troubled youth;
- (8) create linkages for a comprehensive youth service and learning program in Minnesota including school age programs, higher education programs, youth work programs, and service corps programs; and
- (9) coordinate federal and state activities that advance the purposes in this section.

Sec. 4. [121.702] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 121.701 to 121.710.

Subd. 2. [ELIGIBLE ORGANIZATION.] "Eligible organization" means:

- (1) a local unit of government including a statutory or home rule charter city, township, county, or group of two or more contiguous counties;
- (2) an existing nonprofit organization organized under chapter 317A;
- (3) an educational institution;
- (4) a private industry council; or
- (5) a state agency.

Subd. 3. [FEDERAL LAW.] "Federal law" means Public Law Number 101-610, as amended, or any other federal law or program assisting youth community service, work-based learning, or youth transition from school to work.

Subd. 4. [MENTOR.] "Mentor" means a business person, an adult from the community, or a person who has successfully completed the youth works program who volunteers to establish a one-on-one relationship with a participant in the youth works program to encourage and guide the participant to obtain an education, participate in service and work-related activities, and effectively use postservice benefits.

Subd. 5. [PARTICIPANT.] "Participant" means an individual enrolled in a program that receives assistance under sections 121.701 to 121.710.

Subd. 6. [PLACEMENT.] "Placement" means the matching of a participant with a specific project.

Subd. 7. [PROGRAM.] "Program" means an activity carried out with assistance provided under sections 121.701 to 121.710.

Subd. 8. [PROJECT.] "Project" means an activity that results in a specific identifiable service or product that could not be done from the resources of the eligible organization and that does not duplicate the routine services or functions of the eligible organization.

Subd. 9. [YOUTH WORKS TASK FORCE.] "Youth works task force" means the task force established in section 121.703.

Sec. 5. [121.703] [YOUTH WORKS TASK FORCE.]

Subdivision 1. [CREATION.] The youth works task force is established to assist the governor and the legislature in implementing sections 121.701 to 121.710 and federal law. The terms, compensation, filling of vacancies, and removal of members are governed by section 15.059. The youth works task force may accept gifts and contributions from public and private organizations.

Subd. 2. [MEMBERSHIP.] The youth works task force consists of 16 voting members. The membership includes the commissioner or designee of the departments of education, jobs and training, and natural resources and the executive director of the higher education coordinating board, and four persons appointed by the governor from among the following agencies: departments of human services, health, corrections, agriculture, public safety, finance, labor and industry, office of strategic and long-range planning, Minnesota office of volunteer services, Minnesota high technology council, Minnesota housing finance agency, association of service delivery areas, and Minnesota Technology, Inc. The governor shall appoint four members, one each representing a public or private sector labor union, business, students, and parents, and the remaining four members from among representatives of the following groups: educators, senior citizen organizations, local agencies working with youth service corps programs, school-based community service programs, higher education institutions, local educational agencies, volunteer public safety organizations, education partnership programs, public or nonprofit organizations experienced in youth employment and training, and volunteer administrators, or other organizations working with volunteers. The governor shall ensure that, to the extent possible, the membership of the task force is balanced according to geography, race, ethnicity, age, and gender. The speaker of the house and the majority leader of the senate shall each appoint two legislators to be nonvoting members of the task force.

Subd. 3. [DUTIES.] (a) The youth works task force shall:

(1) develop, with the assistance of the governor and affected state agencies, a comprehensive state plan to provide services under sections 121.701 to 121.710 and federal law;

(2) actively pursue public and private funding sources for services, including funding available under federal law;

(3) coordinate volunteer service learning programs within the state;

(4) develop, in cooperation with the education and employment transitions council, volunteer service learning programs, including curriculum, materials, and methods of instruction;

(5) work collaboratively with the education and employment transitions council, schools, public and private agencies, for-profit and nonprofit employers, and labor unions to identify mentoring and service learning opportunities, solicit and recruit participants for these programs, and disseminate information on the programs;

(6) administer the youth works grant program under sections 121.704 to 121.709, including soliciting and approving grant applications from eligible organizations, and administering individual postservice benefits;

(7) establish an evaluation plan for programs developed and services provided under sections 121.701 to 121.710;

(8) report to the governor and legislature; and

(9) provide oversight and support for school, campus and community-based service programs.

(b) Nothing in sections 121.701 to 121.710 precludes an organization from independently seeking public or private funding to accomplish purposes similar to those described in paragraph (a).

Sec. 6. [121.704] [YOUTH WORKS PROGRAM.]

The youth works program is established to fulfill the purposes of section 121.701. The youth works program shall supplement existing programs and services. The program shall not displace existing programs and services, existing funding of programs or services, or existing employment and employment opportunities. No eligible organization may terminate, layoff, or reduce the hours of work of an employee to place or hire a program participant. No eligible organization may place or hire an individual for a project if an employee is on lay-off from the same or a substantially equivalent position.

Sec. 7. [121.705] [YOUTH WORKS GRANTS.]

Subdivision 1. [APPLICATION.] An eligible organization interested in receiving a grant under sections 121.704 to 121.709 may prepare and submit to the youth works task force an application that complies with section 121.706.

Subd. 2. [GRANT AUTHORITY.] The youth works task force shall use any state appropriation and any available federal funds, including any grant received under federal law, to award grants to establish programs for youth works meeting the requirements of section 121.706. At least one grant each must be available for a metropolitan proposal, a rural proposal, and a statewide proposal. If a portion of the suburban metropolitan area is not included in the metropolitan grant proposal, the statewide grant proposal must incorporate at least one suburban metropolitan area. In awarding grants, the youth works task force may select at least one residential proposal and one nonresidential proposal, provided the proposals meet or exceed the criteria in section 121.706.

Sec. 8. [121.706] [GRANT APPLICATIONS.]

Subdivision 1. [APPLICATIONS REQUIRED.] An organization seeking federal or state grant money under sections 121.704 to 121.709 shall prepare and submit to the youth works task force an application that meets the requirements of this section. The youth works task force shall develop, and the applying organizations shall comply with, the form and manner of the application.

Subd. 2. [APPLICATION CONTENT.] An applicant on its application shall:

(1) propose a program to provide participants the opportunity to perform community service to meet specific unmet community needs, and participate in classroom, work-based, and service learning;

(2) assess the community's unmet educational, human, environmental, and public safety needs, the resources and programs available for meeting those needs, and how young people participated in assessing community needs;

(3) describe the classroom component of the program, including classroom hours per week, classroom time for participants to reflect on the program experience, and anticipated academic outcomes related to the service experience;

(4) describe the work to be performed, the ratio of youth participants to crew leaders and mentors, and the expectations and qualifications for crew leaders and mentors;

(5) describe local funds or resources available to meet the match requirements of section 121.709;

(6) describe any funds available for the program from sources other than the requested grant;

(7) describe any agreements with local businesses to provide participants with work-learning opportunities and mentors;

(8) describe any agreement with local post-secondary educational institutions to offer participants course credits for their community service learning experience;

(9) describe any agreement with a local high school or an alternative learning center to provide remedial education, credit for community service work and work-based learning, or graduate equivalency degrees;

(10) describe any pay for service or other program delivery mechanism that will provide reimbursement for benefits conferred or recover costs of services participants perform;

(11) describe how local resources will be used to provide support and assistance for participants to encourage them to continue with the program, fulfill the terms of the contract, and remain eligible for any postservice benefit;

(12) describe the arbitration mechanism for dispute resolution required under section 121.707, subdivision 2;

(13) describe involvement of community leaders in developing broad-based support for the program;

(14) describe the consultation and sign off process to be used with any local labor organization representing employees in the area engaged in work similar to that proposed for the program to ensure that no current employees or available employment positions will be displaced by program participants;

(15) certify to the youth works task force and to any certified bargaining representatives representing employees of the applying organization that the project will not decrease employment opportunities that would be available without the project; will not displace current employees including any partial displacement in the form of reduced hours of work other than overtime, wages, employment benefits, or regular seasonal work; will not impair existing labor agreements; and will not result in the substitution of project funding for preexisting funds or sources of funds for ongoing work;

(16) describe the length of the required service period, which may not be less than six months or more than two years, a method to incorporate a participant's readiness to advance or need for postservice financial assistance into individual service requirements, and any opportunity for participating part time or in another program;

(17) describe a program evaluation plan that contains cost effectiveness measures, measures of participant success including educational accomplishments, job placements, community contributions, and ongoing volunteer activities, outcome measures based on a preprogram and postprogram survey of community rates of arrest, incarceration, teenage pregnancy, and other indicators of youth in trouble, and a list of local resources dedicated to reducing these rates;

(18) describe a three-year financial plan for maintaining the program;

(19) describe the role of local youth in developing all aspects of the grant proposal; and

(20) describe the process by which the local private industry council participated in, and reviewed the grant application.

#### Sec. 9. [121.707] [PROGRAM PROVISIONS.]

Subdivision 1. [PARTICIPANT ELIGIBILITY.] (a) An individual is eligible to participate in full-time youth community service if the individual:

(1) is 17 to 24 years old;

(2) is a citizen of the United States or lawfully admitted for permanent residency;

(3) is a permanent Minnesota resident as that term is used in section 256.936, subdivision 4c, paragraph (d), clause (2);

(4) is applying for service and has received a high school diploma or its equivalent, or agrees to attain a high school diploma or its equivalent while participating in the program; and

(5) agrees to act as an alumni volunteer or an alumni mentor upon successfully completing the program and postprogram education.

(b) An individual is eligible to participate in part-time youth community service if the individual is 15 to 24 years old and meets the requirements under paragraph (a), clauses (2) to (5).

Subd. 2. [TERMS OF SERVICE.] (a) A participant shall agree to perform community service for the period required unless the participant is unable to complete the terms of service for the reason provided in paragraph (b).

An agreement to perform community service must be in the form of a written contract between the participant and the grantee organization. Terms of the contract must include a length of service between six months and two years, the participant's education goals and commitment, the anticipated date of completion, dismissal for cause, including failure to fully participate in the education component, and the exclusive right to challenge a dismissal for cause through binding arbitration. The arbitrator must be chosen jointly by the grantee organization and the participant from the community or, if agreement cannot be reached, an arbitrator must be determined from a list of arbitrators provided by the American Arbitration Association. The sole remedy available to the participant through arbitration is reinstatement to the program and eligibility for postservice benefits. The parent or guardian of a minor shall consent in writing to the contract between the participant and the grantee organization.

(b) If the grantee organization releases a participant from completing a term of service in a program receiving assistance under sections 121.704 to 121.709 for compelling personal circumstances as demonstrated by the participant, or if the program in which the participant serves does not receive continued funding for any reason, the grantee organization may provide the participant with that portion of the financial assistance described in subdivision 3 that corresponds to the quantity of the service obligation completed by the individual.

If the grantee organization terminates a participant for cause or a participant resigns without demonstrating compelling personal circumstances under this section, no postservice benefit under subdivision 3 may be paid.

(c) A participant performing part-time service under sections 121.701 to 121.710 shall serve at least two weekends each month and two weeks during the year, or at least an average of nine hours per week each year. A participant performing full-time service under sections 121.701 to 121.710 shall serve for not less than 40 hours per week.

(d) Notwithstanding any other law to the contrary, for purposes of tort liability under sections 3.732 and 3.736, while participating in a program a participant is an employee of the state.

(e) Participants performing community service in a program are not public employees for purposes of chapter 43A, 179A, 197, 353, or any other law governing hiring or discharging of public employees.

Subd. 3. [POSTSERVICE BENEFIT.] (a) Each participant shall receive a nontransferable postservice benefit upon successfully completing the program. The benefit must be \$2,000 per year of part-time service or \$5,000 per year of full-time service.

(b) In the event that a program does not receive a federal grant that provides a postservice benefit, the participants in the program shall receive a postservice benefit equal in value to one-half the amount provided under paragraph (a).

(c) Nothing in this subdivision prevents a grantee organization from using funds from nonfederal or nonstate sources to increase the value of postservice benefits above the value described in paragraph (a).

(d) The state shall provide an additional postservice benefit to any participant who successfully completes the program. The benefit must be a credit of five points to be added to the competitive open rating of a participant who obtains a passing grade on a civil service examination under chapter 43A. The benefit is available for five years after completing the community service.

Subd. 4. [USES OF POSTSERVICE BENEFITS.] (a) A postservice benefit for a participant provided under subdivision 3, paragraph (a), (b), or (c), must be available for five years after completing the program and may only be used for:

- (1) paying a student loan;
- (2) costs of attending an institution of higher education; or
- (3) expenses incurred in an apprenticeship program approved by the department of labor and industry.

Financial assistance provided under this subdivision must be in the form of vendor payments whenever possible. Any postservice benefits provided by federal funds or vouchers may be used as a downpayment on, or closing costs for, purchasing a first home.

(b) Postservice benefits are to be used to develop skills required in occupations where numbers of jobs are likely to increase. The youth works task force, in consultation with the education and employment transitions council, shall determine how the benefits may be used in order to best prepare participants with skills that build on their service learning and equip them for meaningful employment.

Subd. 5. [LIVING ALLOWANCE.] (a) A participant in a full-time community service program shall receive a monthly stipend of \$500. An eligible organization may provide participants with additional amounts from nonfederal or nonstate sources.

(b) Nothing in this subdivision requires an existing program to decrease any stipend, salary, or living allowance provided to a participant under the program.

(c) In addition to the living allowance provided under paragraph (a), a grantee organization shall provide health and dental coverage to each participant in a full-time youth works program who does not otherwise have access to health or dental coverage. The state shall include the cost of group health and dental coverage in the grant to the eligible organization.

Subd. 6. [PROGRAM TRAINING.] (a) The youth works task force shall, within available resources, ensure an opportunity for each participant to have three weeks of training in a residential setting. If offered, each training session must:

- (1) orient each participant in the nature, philosophy, and purpose of the program;
- (2) build an ethic of community service through general community service training; and
- (3) provide additional training as it determines necessary.

(b) Each grantee organization shall also train participants in skills relevant to the community service opportunity.

Subd. 7. [TRAINING AND EDUCATION REQUIREMENTS.] Each grantee organization shall assess the educational level of each entering participant. Each grantee shall work to enhance the educational skills of each participant. The youth works task force may coordinate or contract with educational institutions or other providers for educational services and evaluation. All grantees shall give priority to educating and training participants who do not have a high school diploma or its equivalent, or who cannot afford post-secondary training and education.

Sec. 10. [121.708] [PRIORITY.]

The youth works task force shall give priority to an eligible organization proposing a program that meets the goals of sections 121.704 to 121.707, and that:

- (1) involves youth in a meaningful way in all stages of the program, including assessing community needs, preparing the application, and assuming postservice leadership and mentoring responsibilities;
- (2) serves a community with significant unmet needs;
- (3) provides an approach that is most likely to reduce arrest rates, incarceration rates, teenage pregnancy, and other indicators of troubled youth;
- (4) builds linkages with existing, successful programs; and
- (5) can be operational quickly.

Sec. 11. [121.709] [MATCH REQUIREMENTS.]

A grant awarded through the youth works program must be matched at \$2 of grant funds for at least \$1 of applicant funds. Grant funds must be used for the living allowance, cost of workers compensation coverage, and health and dental benefits for each program participant. Applicant funds, from sources and in a form determined by the youth works task force, must be used to pay for crew leaders, administration, supplies, materials, and transportation. Administrative expenses must not exceed seven percent of total program costs. To the extent that administrative costs are less than seven percent, an amount equal to the difference between the percent expended and seven percent shall be applied to the local match requirement in this section.

Sec. 12. [121.710] [EVALUATION AND REPORTING REQUIREMENTS.]

Subdivision 1. [GRANTEE ORGANIZATIONS.] Each grantee organization shall report to the youth works task force at the time and on the matters requested by the youth works task force.

Subd. 2. [INTERIM REPORT.] The youth works task force shall report semiannually to the legislature with interim recommendations to change the program.

Subd. 3. [FINAL REPORT.] The youth works task force shall present a final report to the legislature by January 1, 1998, summarizing grantee evaluations, reporting on individual participants and participating grantee organizations, and recommending any changes to improve or expand the program.

Sec. 13. Minnesota Statutes 1992, section 121.88, subdivision 9, is amended to read:

Subd. 9. [YOUTH SERVICE PROGRAMS.] A school board may offer, as part of a community education program with a youth development program, a youth service program ~~for pupils to promote~~ that provides young people with meaningful opportunities to become involved in their community, develop individual capabilities, make career connections, seek support networks and services, become active citizenship citizens, and to address community needs through youth service. The school board may award up to one credit, or the equivalent, toward graduation for a pupil who completes the youth service requirements of the district. The community education advisory council, after considering the results of the commissioner's study under section 121.885, subdivision 1, shall design the program in cooperation with the district planning, evaluating and reporting committee and local organizations that train volunteers or need volunteers' services. Programs must include:

- (1) preliminary training for pupil volunteers conducted, when possible, by organizations experienced in such training;
- (2) supervision of the pupil volunteers to ensure appropriate placement and adequate learning opportunity;
- (3) sufficient opportunity, in a positive setting for human development, for pupil volunteers to develop general skills in preparation for employment, to enhance self-esteem and self-worth, and to give genuine service to their community;
- (4) integration of academic learning with the service experience; and
- (5) integration of youth community service with elementary and secondary curriculum.

Youth service projects include, but are not limited to, the following:

- (1) human services for the elderly, including home care and related services;
- (2) tutoring and mentoring;
- (3) training for and providing emergency services;
- (4) services at extended day programs; and
- (5) environmental services; and
- (6) service learning programs in which schools, including post-secondary schools, and employers work together with young people to provide them with meaningful opportunities for community service and with the academic and technical skills that employers require.

The commissioner shall maintain a list of acceptable projects with a description of each project. A project that is not on the list must be approved by the commissioner.

A youth service project must have a community sponsor that may be a governmental unit or nonprofit organization. To assure that pupils provide additional services, each sponsor must assure that pupil services do not displace employees or reduce the workload of any employee.

The commissioner must assist districts in planning youth service programs, implementing programs, and developing recommendations for obtaining community sponsors.

Sec. 14. [121.885] [SERVICE LEARNING AND WORK-BASED LEARNING CURRICULUM AND PROGRAMS.]

Subdivision 1. [SERVICE LEARNING AND WORK-BASED LEARNING PROGRAMS STUDY.] The youth works task force, established in section 121.703, shall assist the commissioner of education in studying how to combine community service activities and service learning with work-based learning programs.

Subd. 2. [SERVICE LEARNING PROGRAMS DEVELOPED.] The commissioner, in consultation with the task force, shall develop a service learning program curriculum that includes a policy framework and strategies for youth community service and an infrastructure for mentoring youth. The commissioner shall include in the curriculum at least the following:

(1) youth community service strategies that enable young people to make significant contributions to the welfare of their community through such organizations as schools, colleges, government agencies, and community-based organizations or through individual efforts;

(2) mentoring strategies that enable young people to be matched with caring, responsible individuals who can encourage and guide the young people in their personal growth and development;

(3) guidelines, criteria, and procedures for community service programs that incorporate the results of the study in subdivision 1; and

(4) criteria for community service activities and service learning.

Subd. 3. [STRUCTURING PROGRAMS ACCORDING TO GRADE OR EDUCATION LEVEL.] The service learning curriculum must accommodate students' grade level or the last completed grade level of the participants not currently enrolled in school. Schools must provide at least the following:

(1) for students in grades 7 to 9, an opportunity to learn about service learning activities and possible occupations;

(2) for students in grade 10, an opportunity to apply for service learning under section 121.88, subdivision 9, and youth apprenticeship programs; and

(3) for students in grades 11 and 12 and young people not currently enrolled in school, an opportunity to become involved in community service activities, participate in youth apprenticeship programs, and, depending upon the individual's demonstrated abilities, complete high school or pursue post-secondary coursework.

Subd. 4. [PROGRAMS FOLLOWING YOUTH COMMUNITY SERVICE.] (a) The youth works task force established in section 121.703, in cooperation with the commissioner and the higher education coordinating board, shall provide for those participants who successfully complete youth community service under sections 121.703 to 121.709, the following:

(1) for those who have a high school diploma or its equivalent, an opportunity to participate in a youth apprenticeship program at a community or technical college; and

(2) for those who are post-secondary students, an opportunity to participate in an educational program that supplements post-secondary courses leading to a degree or a statewide credential of academic and occupational proficiency.

(b) Participants who successfully complete a youth community service program under sections 121.704 to 121.710 are eligible to receive an education voucher as provided under section 121.707, subdivision 4. The voucher recipient may apply the voucher toward the cost of the recipient's tuition and other education-related expenses at a public post-secondary school under paragraph (a).

(c) The youth works task force, in cooperation with the state board of technical colleges, shall establish a mechanism to transfer credit earned in a youth apprenticeship program between the technical colleges and other post-secondary institutions offering applied associate degrees.

Sec. 15. Minnesota Statutes 1992, section 124.2713, subdivision 5, is amended to read:

Subd. 5. [YOUTH SERVICE REVENUE.] Youth service program revenue is available to a district that has implemented a youth development plan and a youth service program. Youth service revenue equals ~~75 cents for fiscal year 1992 and~~ 85 cents for fiscal year years 1993 and 1994 and \$1 for fiscal year 1995 and thereafter, times the greater of 1,335 or the population of the district.

Sec. 16. Minnesota Statutes 1992, section 124C.46, subdivision 1, is amended to read:

Subdivision 1: [PROGRAM FOCUS.] The programs and services of a center must focus on academic and learning skills, trade and vocational skills, work-based learning opportunities, work experience, youth service to the community, and transition services.

Sec. 17. [HECB TO HELP COORDINATE YOUTH COMMUNITY SERVICE.]

Subdivision 1. [HECB DUTIES.] (a) The higher education coordinating board shall coordinate the application process for higher education grants under federal law. The board shall submit to the youth works task force under section 121.703 a proposal described in subdivision 2 for a consortium of higher education institutions to be included in the state's comprehensive service plan under section 121.703, subdivision 3.

(b) The board shall also coordinate the activities of individual Minnesota higher education institutions applying directly for federal community service grants.

Subd. 2. [COMMUNITY SERVICE PROPOSAL.] The proposal submitted by the higher education coordinating board shall develop programs that allow:

(1) higher education institutions to modify existing and create new courses, curricula, and extracurricular activities that effectively use service learning and work-based learning methods;

(2) one or more higher education institutions to conduct research to evaluate the benefits of service learning programs and to make recommendations to improve service learning programs;

(3) higher education institutions to train K-12 teachers in the skills necessary to develop, supervise, and organize community service activities, consistent with the principles of service learning; and

(4) higher education institutions to create or expand community service or work-based learning activities for students attending the institutions.

Sec. 18. [FEDERAL APPLICATION.]

The youth works task force shall prepare timely and complete applications for federal grants. At a minimum, the task force application must describe:

(1) a program designed to meet the unique needs of the state that will provide community service opportunities to youths ages 17 to 24;

(2) the amount of funds requested for the youth works program plan; and

(3) how the task force ranks applications and awards grants to Minnesota applicants under sections 121.704 to 121.709.

Sec. 19. [SEVERANCE.]

Any provision in this act that makes the state ineligible to receive a grant under Public Law Number 101-610 or other federal laws funding youth works programs is severed and has no effect.

Sec. 20. [REPEALER.]

Sections 6 to 12 are repealed June 30, 1998."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for public defense, criminal justice, corrections, and related purposes; appropriating money for youth community service and work-based learning programs; providing for the transfer of certain money in the state treasury; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 15A.081, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 121.88, subdivision 9; 124.2713, subdivision 5; 124C.46, subdivision 1; 169.1265, subdivision 1; 241.01, subdivision 5; 241.43, subdivision 2; 242.195, subdivision 1; 242.51; 245.98, by adding a subdivision; 270B.14, by adding a subdivision; 349A.02, subdivision 1; 349A.03, subdivision 2; 357.24; 401.13; 611.17; 611.20; 611.216, by adding a subdivision; 611.25, subdivision 3; 611.26, subdivision 3; 611.27, subdivision 4; 611.271; and 626.861, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 121; and 611; repealing Minnesota Statutes 1992, section 349A.03, subdivision 3."

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

Senate Conferees: TRACY L. BECKMAN, ALLAN H. SPEAR, RANDY C. KELLY, THOMAS M. NEUVILLE AND JANE B. RANUM.

House Conferees: MARY MURPHY, THOMAS PUGH, HOWARD ORENSTEIN, DOUG SWENSON AND MARY JO MCGUIRE.

Murphy moved that the report of the Conference Committee on S. F. No. 1503 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1503, A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 241.01, subdivision 5; 242.195, subdivision 1; 242.51; 401.13; 611.20; 611.216, by adding a subdivision; 611.25, subdivision 3; and 626.861, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1992, sections 241.43, subdivision 2; and 611.20, subdivision 3.

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

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

Madam Speaker:

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

S. F. Nos. 264, 1032, 1290, 1413, 338, 751, 832, 853 and 550.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 264, A bill for an act relating to housing; changing program review requirements; increasing deferred loan limits; expanding the types of eligible users of the homesharing program; expanding the project eligibility of the housing trust fund; authorizing cities to sell single-family residential housing under the neighborhood land trust program; expanding the types of eligible service providers and changing the authorized payment structure of the rental assistance for family stabilization program; increasing the income limits for rental housing assistance; establishing the community rehabilitation fund account; consolidating the blighted residential property and capital reserve programs; authorizing tribal Indian housing demonstration projects; appropriating money; amending Minnesota Statutes 1992, sections 462A.05, subdivisions 14a and 24; 462A.07, subdivisions 14 and 15; 462A.201, subdivision 2; 462A.202, subdivision 7; 462A.205, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 462A.21, subdivision 8c and by adding a subdivision; and 462C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1992, sections 462A.05, subdivision 37; and 462A.32.

The bill was read for the first time.

Mariani moved that S. F. No. 264 and H. F. No. 384, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1032, A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time.

Murphy moved that S. F. No. 1032 and H. F. No. 1286, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1290, A bill for an act relating to local government; permitting the cities of Bloomington, Edina, Richfield, Eden Prairie, Minnetonka, Maple Grove, and Plymouth to establish a transportation demand management program; providing for a transportation demand management plan for the capitol complex.

The bill was read for the first time.

Mahon moved that S. F. No. 1290 and H. F. No. 1310, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1413, A bill for an act relating to workers' compensation; excluding certain wages in determining insurance premiums; modifying provisions relating to charges by certain nursing homes; amending Minnesota Statutes 1992, sections 79.211, subdivision 1; and 176.136, subdivision 1b.

The bill was read for the first time.

Farrell moved that S. F. No. 1413 and H. F. No. 1185, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 338, A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; providing for certain grants and projects; appropriating money; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

The bill was read for the first time.

Bauerly moved that S. F. No. 338 and H. F. No. 167, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 751, A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; establishing record keeping requirements; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 461.

The bill was read for the first time.

Asch moved that S. F. No. 751 and H. F. No. 1384, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 832, A bill for an act relating to occupations and professions; regulating athletic trainers; establishing an advisory council; providing for registration; requiring fees; providing for rulemaking; imposing penalties; appropriating money; amending Minnesota Statutes 1992, section 116J.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 148.

The bill was read for the first time.

Milbert moved that S. F. No. 832 and H. F. No. 1025, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 853, A bill for an act relating to retirement; volunteer firefighters' relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain local volunteer firefighters relief association provisions; prohibiting the use of lawful gambling contributions for pensions; amending Minnesota Statutes 1992, sections 11A.04; 349.12, subdivision 25; 356.218, subdivisions 2 and 3; and 424A.02, subdivisions 1, 3, and by adding subdivisions; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time.

Reding moved that S. F. No. 853 and H. F. No. 972, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 550, A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; regulating activities relating to restricted species; creating a restricted species task force; providing penalties; appropriating money; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 84.

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, Johnson, V., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 550 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Johnson, V., moved that the Rules of the House be so far suspended that S. F. No. 550 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 550 was read for the second time.

S. F. No. 550, A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; regulating activities relating to restricted species; creating a restricted species task force; providing penalties; appropriating money; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 84.

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

The bill was passed and its title agreed to.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 454:

Clark, Smith and Jaros.

## SPECIAL ORDERS

H. F. No. 1435 was reported to the House.

Clark moved that H. F. No. 1435 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 697 was reported to the House.

Trimble moved that S. F. No. 697 be continued on Special Orders. The motion prevailed.

S. F. No. 629 was reported to the House.

Sviggum moved to amend S. F. No. 629, as follows:

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1992, section 471.611, subdivision 1, is amended to read:

Subdivision 1. [ACCOUNTING FUNDING.] A unit of local government that agrees or is ordered by an arbitration award to make payments for health insurance benefits for retired employees shall identify the amount required to pay the cost of those benefits during the period in which the contract or personnel policy providing for those benefits is in effect and shall record the amount as an expenditure, according to generally accepted accounting principles, in the fiscal year or years during which the ~~payments are to be made.~~ obligation is created, and immediately begin funding the obligation on an actuarially equal annual basis over the life of the policy, agreement, or award, with one-half of the annually required funding to be deposited in a dedicated account from money available to the local government for employment costs. The other half of annually required funding shall be deposited from payroll deductions made from active employees within the local government who provide essentially the same services as did the retired employees receiving the benefit or who belong to the bargaining unit which secured the benefit by negotiation or arbitration. A school district is in compliance with this subdivision if it complies with section 121.908, subdivision 6. Provision of these benefits under a personnel policy must be approved, as a separate action, by the governing body of the employing governmental unit."

Page 1, line 15, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 4, after "employees" insert "; providing for funding of and accounting for this coverage"

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 6, after "9" insert "; and 471.611, subdivision 1"

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment and the roll was called. There were 24 yeas and 106 nays as follows:

Those who voted in the affirmative were:

Bishop	Dorn	Greiling	Koppendraye	Molnau	Sviggum
Commers	Frerichs	Gutknecht	Krinkie	Ness	Vickerman
Dauner	Garcia	Holsten	Leppik	Ostrom	Worke
Dawkins	Girard	Hugoson	McCollum	Stanius	Workman

Those who voted in the negative were:

Abrams	Cooper	Johnson, A.	Luther	Onnen	Rodosovich	Van Dellen
Anderson, I.	Dauids	Johnson, R.	Lynch	Opatz	Rukavina	Vellenga
Anderson, R.	Dehler	Johnson, V.	Macklin	Orenstein	Sarna	Wagenius
Asch	Dempsey	Kahn	Mahon	Orfield	Seagren	Waltman
Battaglia	Erhardt	Kalis	Mariani	Osthoff	Sekhon	Weaver
Bauerly	Evans	Kelley	McGuire	Ozment	Simoneau	Wejzman
Beard	Farrell	Kelso	Milbert	Pauly	Skoglund	Wenzel
Bergson	Goodno	Kinkel	Morrison	Pawlenty	Smith	Winter
Bertram	Greenfield	Klinzing	Mosel	Pelowski	Solberg	Wolf
Bettermann	Gruenes	Knickerbocker	Munger	Perlt	Sparby	Spk. Long
Blatz	Hasskamp	Krueger	Murphy	Peterson	Steensma	
Brown, C.	Hausman	Lasley	Neary	Pugh	Swenson	
Brown, K.	Huntley	Lieder	Nelson	Reding	Tomassoni	
Carlson	Jacobs	Limmer	Olson, E.	Rest	Tompkins	
Carruthers	Jaros	Lindner	Olson, K.	Rhodes	Trimble	
Clark	Jennings	Lourey	Olson, M.	Rice	Tunheim	

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

S. F. No. 629, A bill for an act relating to public employment; permitting interest arbitration on retired public employee group insurance coverage for units of essential employees; amending Minnesota Statutes 1992, section 179A.16, 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 116 yeas and 16 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dauids	Frerichs	Hugoson	Lynch	Seagren	Workman
Dempsey	Girard	Kelley	Olson, M.	Sviggum	
Dorn	Holsten	Krinkie	Ostrom	Vickerman	

The bill was passed and its title agreed to.

S. F. No. 384 was reported to the House.

Gruenes, Wejcman and Smith moved to amend S. F. No. 384, as follows:

Page 2, line 4, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 3, line 11, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 3, line 27, before the comma insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 4, line 16, before the period insert "if the judgment creditor is a county and the third party is notified by the county when the judgment is satisfied"

Page 9, line 24, before the period insert "if the judgment creditor is a county and the third party is notified by the county when the judgment is satisfied"

Page 10, line 7, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 15, line 21, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 16, line 1, before the comma insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 16, line 26, before the period insert "if the judgment creditor is a county and the third party is notified by the county when the judgment is satisfied"

Page 20, line 35, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 21, line 32, before the comma insert "by a county"

Page 26, line 29, before the period insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

Page 27, line 11, before the comma insert "if the judgment creditor is a county and the employer is notified by the county when the judgment is satisfied"

The motion prevailed and the amendment was adopted.

S. F. No. 384, A bill for an act relating to creditors remedies; regulating executions and garnishments; providing that executions and garnishments on child support judgments are effective until the judgments are satisfied; exempting child support payments from execution; amending Minnesota Statutes 1992, sections 550.135, subdivision 10; 550.136, subdivisions 3, 4, and 5; 550.143, subdivision 3; 550.37, subdivision 15; 551.04, subdivisions 2 and 11; 551.05, subdivision 1a; 551.06, subdivisions 3, 4, and 5; 570.025, subdivision 6; 570.026, subdivision 2; 571.72, subdivision 7; 571.73, subdivision 3; 571.912; 571.922; and 571.923.

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

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

S. F. No. 470, A bill for an act relating to elections; changing the time and date of the precinct caucuses; amending Minnesota Statutes 1992, section 202A.14, 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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Skoglund

The bill was passed and its title agreed to.

H. F. No. 623 was reported to the House.

Orfield moved to amend H. F. No. 623, the first engrossment, as follows:

Page 3, delete section 4

Page 4, line 8, delete everything after "project"

Page 4, line 9, delete everything before the period and after the period insert "After soliciting and considering comments and suggestions from interested persons, including metropolitan area local governments, and by January 1, 1995, the council shall establish written criteria by which the council will define "sector" for any proposed highway project in order to accomplish the intent of this section."

Page 4, line 10, after "(b)" insert "After January 1, 1996,"

Page 5, line 18, delete "Sections 3, 4, 5, and 6" and insert "Sections 2, 3, and 4"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Morrison, Osthoff, Lieder, Pauly, Mahon, Blatz and Wolf moved to amend H. F. No. 623, the first engrossment, as amended, as follows:

Page 2, line 12, before the period insert ", including high occupancy vehicle lanes"

A roll call was requested and properly seconded.

The question was taken on the Morrison et al amendment and the roll was called. There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Hugoson	Lieder	Ness	Pugh	Tompkins
Bettermann	Frerichs	Jennings	Limmer	Olson, E.	Rhodes	Van Dellen
Bishop	Garcia	Johnson, V.	Lindner	Olson, M.	Rodosovich	Vickerman
Blatz	Girard	Kelso	Lynch	Onnen	Seagren	Waltman
Commers	Goodno	Kinkel	Macklin	Osthoff	Smith	Weaver
Davids	Gruenes	Knickerbocker	Mahon	Ostrom	Sparby	Wolf
Dehler	Gutknecht	Koppendrayner	Milbert	Ozment	Stanius	Worke
Dempsey	Haukoos	Krinkie	Molnau	Pauly	Sviggum	Workman
Dorn	Holsten	Leppik	Morrison	Pawlenty	Swenson	

Those who voted in the negative were:

Anderson, I.	Beard	Carlson	Dawkins	Greiling	Jefferson	Kelley
Anderson, R.	Bergson	Carruthers	Delmont	Hausman	Johnson, A.	Klinzing
Asch	Bertram	Clark	Evans	Huntley	Johnson, R.	Krueger
Battaglia	Brown, C.	Cooper	Farrell	Jacobs	Kahn	Lasley
Bauerly	Brown, K.	Dauner	Greenfield	Jaros	Kalis	Lourey

Luther	Murphy	Orenstein	Reding	Sekhon	Tomassoni	Wejcman
Mariani	Neary	Orfield	Rest	Simoneau	Trimble	Welle
McCollum	Nelson	Pelowski	Rice	Skoglund	Tunheim	Wenzel
McGuire	Olson, K.	Perlt	Rukavina	Solberg	Vellenga	Winter
Mosel	Opatz	Peterson	Sarna	Steensma	Wagenius	Spk. Long

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

Workman moved to amend H. F. No. 623, the first engrossment, as amended, as follows:

Page 5, after line 16, insert:

"Sec. 7. Minnesota Statutes 1992, 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."

Page 5, line 18, delete "and" and after "6" insert ", and 7"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

The Speaker called Bauerly to the Chair.

H. F. No. 623, A bill for an act relating to transportation; including in state transportation plan and development guide certain matters relating to metropolitan area; prohibiting federal block grant funds from being spent on trunk highways unless ancillary to public transit facilities; requiring compliance with comprehensive choice housing requirements before metropolitan council may approve proposed highway project or plan; adding metropolitan transit goals; amending Minnesota Statutes 1992, sections 174.03, subdivision 1a; 473.146, subdivision 3; 473.167, by adding a subdivision; and 473.371; proposing coding for new law in Minnesota Statutes, chapter 174.

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 80 yeas and 52 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Seagren was excused between the hours of 12:15 p.m. and 12:40 p.m.

S. F. No. 403, A bill for an act relating to housing and hotels; amending reasons for innkeeper ejection and refusal to admit persons; establishing parent or guardian responsibility for guests who are minors; establishing liability for damage to hotel or personal property or injury to persons; increasing the penalty for setting fire to hotel belongings; requiring notice; amending Minnesota Statutes 1992, sections 327.70, subdivision 3; 327.73, subdivisions 1 and 2; and 327.74, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 327.

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

The bill was passed and its title agreed to.

S. F. No. 741, A bill for an act relating to civil actions; authorizing appeals from the decisions of civil service commissions by first-class cities and their employees on the same basis and to the same extent; amending Minnesota Statutes 1992, section 484.01.

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

The bill was passed and its title agreed to.

S. F. No. 674 was reported to the House.

Orenstein moved to amend S. F. No. 674, as follows:

Page 2, line 22, after "section" insert "473.675 or section"

The motion prevailed and the amendment was adopted.

S. F. No. 674, A bill for an act relating to civil actions; regulating the posting of a bond required of plaintiffs in certain actions against a public body; amending Minnesota Statutes 1992, section 562.02.

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

Opatz	Pawlenty	Rhodes	Smith	Tomassoni	Wagenius	Wolf
Orenstein	Pelowski	Rodosovich	Solberg	Tompkins	Waltman	Worke
Orfield	Perlt	Rukavina	Sparby	Trimble	Weaver	Workman
Osthoff	Peterson	Sarna	Stanius	Tunheim	Wejzman	Spk. Long
Ostrom	Pugh	Sekhon	Steensma	Van Dellen	Welle	
Ozment	Reding	Simoneau	Sviggum	Vellenga	Wenzel	
Pauly	Rest	Skoglund	Swenson	Vickerman	Winter	

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

S. F. No. 190 was reported to the House.

Carruthers, Skoglund, McGuire and Macklin moved to amend S. F. No. 190, as follows:

Page 3, after line 20, insert:

"Sec. 3. Minnesota Statutes 1992, section 245A.04, subdivision 3, is amended to read:

Subd. 3. [STUDY OF THE APPLICANT.] (a) Before the commissioner issues a license, the commissioner shall conduct a study of the individuals specified in clauses (1) to (4) according to rules of the commissioner. The applicant, license holder, the bureau of criminal apprehension, and county agencies, after written notice to the individual who is the subject of the study, shall help with the study by giving the commissioner criminal conviction data and reports about abuse or neglect of adults in licensed programs substantiated under section 626.557 and the maltreatment of minors in licensed programs 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 juvenile courts shall also help with the study by giving the commissioner existing juvenile court records on individuals described in clause (2) relating to delinquency proceedings held within either the five years immediately preceding the application or the five years immediately preceding the individual's 18th birthday, whichever time period is longer. The commissioner shall destroy juvenile records obtained pursuant to this subdivision when the subject of the records reaches age 23.

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) Except for child foster care, adult foster care, and family day care homes, a study must include information from the county agency's record of substantiated abuse or neglect of adults in licensed programs, and the maltreatment of minors in licensed programs, information from juvenile courts as required in paragraph (a) for persons listed in paragraph (a), clause (2), and information from the bureau of criminal apprehension. For child foster care, adult foster care, and family day care homes, the study must include information from the county agency's record of substantiated abuse or neglect of adults, and the maltreatment of minors, information from juvenile courts as required in paragraph (a) for persons listed in paragraph (a), clause (2), and information from the bureau of criminal apprehension. 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).

(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 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.

(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 section may be retained by the agency in a position involving direct contact with persons served by the program.

(g) 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.

(h) The commissioner may establish records to fulfill the requirements of this section. ~~The information contained in the records is only available to the commissioner for the purpose authorized in this section.~~

(i) The commissioner may not disqualify an individual subject to a study under this section because that person has, or has had, a mental illness as defined in section 245.462, subdivision 20."

Page 7, line 16, delete "1 and 3" and insert "1, 3, and 4"

Page 7, delete lines 18 to 21, and insert:

"Section 4, paragraph (c), clause (2) applies to existing license holders on the effective date of section 4 and to initial license applications made on or after that date. Section 4, paragraph (c), clause (1) in the case of a conviction for neglect or endangerment of a child, applies to existing license holders on the effective date of section 4 and in all other cases applies to initial license applications made on or after the effective date."

Page 7, line 22, before "As" insert "However,"

Page 7, line 24, after "review" insert "and reconsider"

Page 8, line 1, after "(1)" insert ", other than neglect or endangerment of a child"

Page 8, line 2, delete "found to be"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Carruthers; Brown, C., and McGuire moved to amend S. F. No. 190, as amended, as follows:

Pages 6 and 7, delete section 4, and insert:

"Sec. 4. [REPORT; ACCESS TO CRIMINAL CONVICTION DATA.]

The bureau of criminal apprehension shall study, make recommendations, and where appropriate, implement procedures regarding the following issues involved in public access to criminal conviction data maintained by the bureau:

- (1) methods to ensure that when data is requested on an individual, any data provided relates to that individual;
- (2) appropriate charges to impose for inspection or copies of criminal conviction data;
- (3) procedures for correcting inaccurate data at the request of the data subject; and
- (4) with the assistance of the supreme court, make recommendations for implementing uniform procedures and grounds for conviction expungement orders and a uniform conviction expungement order.

The recommendations shall be made to the chair of the judiciary committee in the house and the chairs of the judiciary and crime prevention committees in the senate by January 1, 1994."

The motion prevailed and the amendment was adopted.

Carruthers and Brown, C., moved to amend S. F. No. 190, as amended, as follows:

Page 3, line 20, after "data" insert "for 15 years following the discharge of the sentence imposed for the offense"

The motion prevailed and the amendment was adopted.

S. F. No. 190, A bill for an act relating to background checks; providing that certain criminal conviction data are public; providing that a record of conviction of certain crimes and other determinations disqualify an individual from obtaining certain human services licenses; providing for access to certain data on day care and foster care licensees; amending Minnesota Statutes 1992, sections 13.46, subdivision 4; 13.87, subdivision 2; and 245A.04, subdivision 3b.

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

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

Those who voted in the affirmative were:

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

Pawlenty	Rest	Seagren	Stanius	Trimble	Waltman	Wolf
Pelowski	Rhodes	Sekhon	Steensma	Tunheim	Weaver	Worke
Perlt	Rice	Simoneau	Sviggum	Van Dellen	Wejcman	Workman
Peterson	Rodosovich	Skoglund	Swenson	Vellenga	Welle	Spk. Long
Pugh	Rukavina	Smith	Tomassoni	Vickerman	Wenzel	
Reding	Sarna	Solberg	Tompkins	Wagenius	Winter	

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

The Speaker resumed the Chair.

H. F. No. 373 was reported to the House.

Bettermann, Waltman, Frerichs and Davids moved to amend H. F. No. 373, the first engrossment, as follows:

Page 4, after line 30, insert:

"Sec. 2. [179.061] [FREEDOM TO WORK.]

No employer, employee organization, or labor union shall require any person, as a condition of employment or continuation of employment, to become or remain a member of any labor organization, or to pay any dues, fees, assessments, or other sums of money of any kind to a labor question."

Page 6, after line 5, insert:

"Sec. 5. [179A.031] [FREEDOM TO WORK.]

No employer, employee organization, or labor union shall require any person, as a condition of employment, to become or remain a member of any labor organization, or to pay dues, fees, assessments or other sums of money of any kind to a labor organization.

Sec. 6. Minnesota Statutes 1992, section 179A.04, subdivision 1, is amended to read:

Subdivision 1. [PETITIONS.] The commissioner shall accept and investigate all petitions for:

(a) certification or decertification as the exclusive representative of an appropriate unit;

(b) mediation services;

(c) any election or other voting procedures provided for in sections 179A.01 to 179A.25; and

(d) certification to the board of arbitration; ~~and~~

~~(e) fair share fee challenges, upon the receipt of a filing fee. The commissioner shall hear and decide all issues in a fair share fee challenge.~~

Sec. 7. Minnesota Statutes 1992, section 179A.04, subdivision 3, is amended to read:

Subd. 3. [OTHER DUTIES.] The commissioner shall:

(a) provide mediation services as requested by the parties until the parties reach agreement. The commissioner may continue to assist parties after they have submitted their final positions for interest arbitration;

(b) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(c) maintain a list of arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes;

- (d) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner;
- (e) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;
- (f) adopt rules relating to the administration of this chapter; and the conduct of hearings and elections;
- (g) receive, catalogue, and file all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions, and the commissioner's orders and decisions. All decisions catalogued and filed shall be readily available to the public;
- (h) adopt, subject to chapter 14, a grievance procedure to fulfill the purposes of section 179A.20, subdivision 4. The grievance procedure shall not provide for the services of the bureau of mediation services. The grievance procedure shall be available to any employee in a unit not covered by a contractual grievance procedure;
- (i) conduct elections;
- (j) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;
- ~~(k) collect such fees as are established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges;~~
- (l) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;
- ~~(m) (l)~~ provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4;
- ~~(n) (m)~~ adopt, subject to chapter 14, uniform baseline determination documents and uniform collective bargaining agreement settlement documents applicable to all negotiations between exclusive representatives of appropriate units of public employees and public employers other than townships and prescribe procedures and instructions for completion of the documents. A completed uniform collective bargaining agreement settlement document must be presented to the public employer at the time it ratifies a collective bargaining agreement and must be available afterward for inspection during normal business hours at the principal administrative offices of the public employer; and
- ~~(o) (n)~~ from the names provided by representative organizations, maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 125.12 or 125.17. The persons on the list shall meet at least one of the following requirements:
  - (1) be a former or retired judge;
  - (2) be a qualified arbitrator on the list maintained by the bureau;
  - (3) be a present, former, or retired administrative law judge; or
  - (4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, the Minnesota education association shall provide a list of seven names, the Minnesota federation of teachers a list of seven names, and the Minnesota school boards association a list of 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list.

Sec. 8. [REPEALER.]

Minnesota Statutes 1992, sections 179A.03, subdivision 9, and 179A.06, subdivision 3, are repealed."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

### CALL OF THE HOUSE

On the motion of Anderson, I., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

Anderson, I., 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 Bettermann et al amendment and the roll was called. There were 18 yeas and 116 nays as follows:

Those who voted in the affirmative were:

Bettermann	Dehler	Girard	Koppendraye	Lindner	Waltman
Commers	Erhardt	Gutknecht	Krinkie	Sviggum	Worke
Davids	Frerichs	Hugoson	Limmer	Vickerman	Workman

Those who voted in the negative were:

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

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

## CALL OF THE HOUSE LIFTED

Rukavina moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Krinkie moved to amend H. F. No. 373, the first engrossment, as follows:

Page 4, after line 30, insert:

"Sec. 2. [179.241] [UNION MEMBERS RIGHT TO KNOW ACT.]

Subdivision 1. [NOTICE.] A labor organization shall provide an annual notice to its members no later than February 1 of their right to reduce the dues payable by them as a member of the union, or as an individual employed by an employer subject to a labor agreement containing a union security clause, by the same percentage as the percentage of the labor organization's revenues that are expended on lobbying, political contributions, distribution of publications, and advertising. The notice shall inform the members that they may reduce their obligation by this percentage amount by providing written notice to the union and to the employer deducting dues from their pay, if any, and that they will suffer no harm or retribution from the employer or the union for doing so.

Subd. 2. [ACCOUNTING.] A labor organization shall provide to its members an accounting of the actual dollar revenues spent by the labor organization in the preceding calendar year no later than February 1 the following year. The accounting shall include a line item for each of the following:

- (1) grievance processing;
- (2) contract negotiations;
- (3) political contributions;
- (4) lobbying;
- (5) Minnesota meeting attendance and travel costs;
- (6) out-of-state meeting attendance and travel costs;
- (7) dues and contributions to the national affiliate;
- (8) advertising;
- (9) production and distribution of publications; and
- (10) every item of expenditure constituting more than one percent of the total revenue of the labor organization.

If a labor organization fails to timely provide the account to its members, it shall be conclusively presumed that one-half of members' dues are expended on the activities listed in clauses (1) to (9) and other expenditures not directly related to the representation of members.

Subd. 3. [ACTION.] A member of a labor organization who is not provided a timely annual accounting or a notice of the employee's rights under this section by a labor organization shall have a cause of action for the amount of dues paid by the member in excess of the percentage of those dues dedicated to contract negotiations, grievance handling, and strike support, plus punitive damages in an amount of twice the dues, plus costs and attorneys' fees."

Page 6, after line 5, insert:

"Sec. 5. [179A.211] [UNION MEMBERS RIGHT-TO-KNOW ACT.]

Subdivision 1. [NOTICE.] A labor organization shall provide an annual notice to its members no later than February 1 of their right to reduce the dues payable by them as a member of the union, or as an individual employed by an employer subject to a labor agreement containing a union security clause, by the same percentage as the percentage of the labor organization's revenues that are expended on lobbying, political contributions, distribution of publications, and advertising. The notice shall inform the members that they may reduce their obligation by this percentage amount by providing written notice to the union and to the employer deducting dues from their pay, if any, and that they will suffer no harm or retribution from the employer or the union for doing so.

Subd. 2. [ACCOUNTING.] A labor organization shall provide to its members an accounting of the actual dollar revenues spent by the labor organization in the preceding calendar year no later than February 1 the following year. The accounting shall include a line item for each of the following:

- (1) grievance processing;
- (2) contract negotiations;
- (3) political contributions;
- (4) lobbying;
- (5) Minnesota meeting attendance and travel costs;
- (6) out-of-state meeting attendance and travel costs;
- (7) dues and contributions to the national affiliate;
- (8) advertising;
- (9) production and distribution of publications; and
- (10) every item of expenditure constituting more than one percent of the total revenue of the labor organization.

If a labor organization fails to timely provide the account to its members, it shall be conclusively presumed that one-half of members' dues are expended on the activities listed in clauses (1) to (9) and other expenditures not directly related to the representation of members.

Subd. 3. [ACTION.] A member of a labor organization who is not provided a timely annual accounting or a notice of the employee's rights under this section by a labor organization shall have a cause of action for the amount of dues paid by the member in excess of the percentage of those dues dedicated to contract negotiations, grievance handling, and strike support, plus punitive damages in an amount of twice the dues, plus costs and attorneys' fees."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

H. F. No. 373, A bill for an act relating to labor; requiring arbitration in certain circumstances; establishing procedures; providing penalties; amending Minnesota Statutes 1992, sections 179.06, by adding a subdivision; and 179A.16, subdivision 3, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 84 yeas and 50 nays as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

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

The bill was passed and its title agreed to.

The Speaker called Bauerly to the Chair.

S. F. No. 1105 was reported to the House.

Simoneau moved to amend S. F. No. 1105, as follows:

Page 17, line 24, delete "1994" and insert "1997"

The motion prevailed and the amendment was adopted.

Simoneau offered an amendment to S. F. No. 1105, as amended.

#### POINT OF ORDER

Sviggum raised a point of order pursuant to rule 3.09 that the Simoneau amendment was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment out of order.

Johnson, A., and Ozment moves to amend S. F. No. 1105, as amended, as follows:

Page 22, after line 4, insert:

"Sec. 33. [MANUFACTURED HOME PARK ZONING.]

The increased size of federally approved manufactured homes together with new zoning setback requirements for manufactured home parks has threatened the economic viability of established manufactured home parks.

A municipality, as defined in Minnesota Statutes, section 462.352, subdivision 2, may not adopt an ordinance after May 22, 1993 and before August 1, 1994, that establishes setback requirements for manufactured homes in a manufactured home park if the ordinance would have the effect of prohibiting replacing a home in a park with a home manufactured to the manufactured home building code as defined in Minnesota Statutes, section 327.31, subdivision 3.

Setback requirements adopted by ordinance by a municipality after April 1, 1991, are suspended and have no effect until August 1, 1994, if the setback requirements have the effect of prohibiting replacing a manufactured home in a manufactured home park with a home manufactured to the manufactured home building code as defined in Minnesota Statutes, section 327.31, subdivision 3."

Page 22, line 12, delete "and 33" and insert ", 33, and 34"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1105, A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 245.97, subdivision 6; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; and 157; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Erhardt	Knickerbocker	Morrison	Tompkins
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The bill was passed, as amended, and its title agreed to.

H. F. No. 543 was reported to the House.

Lynch moved to amend H. F. No. 543, the first engrossment, as follows:

Page 2, after line 27, insert:

"Sec. 3. Laws 1989, chapter 150, section 6, is amended to read:

Sec. 6. [ANOKA COUNTY; SURPLUS LAND FOR RECREATIONAL PURPOSES.]

Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell the following described property to Anoka county in the manner prescribed by Minnesota Statutes, section 84.027, subdivision 10.

The commissioner of natural resources may sell property described as:

~~Government Lot 1, Section 5, Township 120 North, Range 22 West, and Government Lot 1, Section 6, Township 120 North, Range 22 West, and Government Lot 4, Section 31, Township 121 North, Range 22 West, Hennepin county, according to the government survey thereof. Containing 97.0 acres, more or less. Government Lots One (1) and Two (2), Section Ten (10), Township One Hundred Twenty (120) North, Range Twenty-two (22) West.~~

This land will be used for a county park and the conveyance to the county will best serve the public interest."

Page 2, line 28, delete "3" and insert "4"

Page 2, line 29, delete "Section 1 is" and insert "Sections 1 to 3 are"

Amend the title as follows:

Page 1, line 4, before the period insert "; correcting the legal description of the state land to be sold in Anoka county; amending Laws 1989, chapter 150, section 6"

The motion prevailed and the amendment was adopted.

H. F. No. 543, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land that borders public water in Cook county; correcting the legal description of the state land to be sold in Anoka county; amending Laws 1989, chapter 150, section 6.

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

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

Those who voted in the affirmative were:

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

Opatz	Pawlenty	Rhodes	Simoneau	Sviggum	Vellenga	Wenzel
Orenstein	Pelowski	Rice	Skoglund	Swenson	Vickerman	Winter
Orfield	Perlt	Rodosovich	Smith	Tomassoni	Wagenius	Wolf
Osthoff	Peterson	Rukavina	Solberg	Tompkins	Waltman	Worke
Ostrom	Pugh	Sarna	Sparby	Trimble	Weaver	Workman
Ozment	Reding	Seagren	Stanius	Tunheim	Wejcman	Spk. Long
Pauly	Rest	Sekhon	Steensma	Van Dellen	Welle	

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

H. F. No. 1081, A bill for an act relating to commerce; regulating collection agencies; modifying prohibited practices; requiring notification to the commissioner upon certain employee terminations; repealing inconsistent surety bond and term and fee rules; regulating credit services organizations; modifying registration and bond requirements; modifying enforcement powers; amending Minnesota Statutes 1992, sections 332.37; 332.54, subdivision 1, and by adding subdivisions; 332.55; and 332.59; proposing coding for new law in Minnesota Statutes, chapter 332; repealing Minnesota Rules, parts 2870.1300; and 2870.1600.

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

The bill was passed and its title agreed to.

H. F. No. 192, A bill for an act relating to state heating plant facilities; prohibiting state permits for expansion or enhancement of coal-fired steam heating facilities within a certain portion of the Mississippi river critical area; providing continued coverage in the Minnesota state retirement system for certain employees affected by changes in the operation of heating facilities; amending Minnesota Statutes 1992, sections 352.01, subdivision 2a; and 352.04, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 116G.

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 109 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hugoson	Krueger	Neary	Rhodes	Tomassoni
Anderson, I.	Dawkins	Huntley	Lasley	Nelson	Rice	Tompkins
Anderson, R.	Delmont	Jacobs	Limmer	Olson, K.	Rodosovich	Trimble
Asch	Dempsey	Jaros	Lourey	Opatz	Rukavina	Tunheim
Battaglia	Erhardt	Jefferson	Luther	Orenstein	Sarna	Wagenius
Bauerly	Evans	Jennings	Lynch	Orfield	Seagren	Waltman
Beard	Farrell	Johnson, A.	Macklin	Osthoff	Sekhon	Weaver
Bergson	Garcia	Johnson, R.	Mahon	Ostrom	Simoneau	Wejzman
Bertram	Goodno	Johnson, V.	Mariani	Ozment	Skoglund	Welle
Bettermann	Greenfield	Kahn	McCollum	Pauly	Smith	Wenzel
Bishop	Greiling	Kalis	McGuire	Pelowski	Solberg	Worke
Blatz	Gutknecht	Kelley	Milbert	Perit	Sparby	Workman
Brown, K.	Hasskamp	Kelso	Morrison	Peterson	Stanius	Spk. Long
Carlson	Haukoos	Klinzing	Mosel	Pugh	Steensma	
Carruthers	Hausman	Knickerbocker	Munger	Reding	Sviggum	
Clark	Holsten	Krinkie	Murphy	Rest	Swenson	

Those who voted in the negative were:

Brown, C.	Dauner	Frerichs	Koppendrayner	Ness	Onnen	Vickerman
Commers	Dehler	Girard	Lindner	Olson, E.	Pawlenty	Winter
Cooper	Dorn	Gruenes	Molnau	Olson, M.	Van Dellen	Wolf

The bill was passed and its title agreed to.

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

## GENERAL ORDERS

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

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1315:

Clark, Pugh and Bishop.

## MOTIONS AND RESOLUTIONS

Krinkie moved that the name of Garcia be added as an author on H. F. No. 1766. The motion prevailed.

Krinkie moved that the name of Garcia be added as an author on H. F. No. 1767. The motion prevailed.

Asch moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Wednesday, May 5, 1993, when the vote was taken on the final passage of S. F. No. 1199." The motion prevailed.

Clark moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the final passage of H. F. No. 51, as amended by the Senate." The motion prevailed.

Davids moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Thursday, April 29, 1993, when the vote was taken on the final passage of H. F. No. 671, the second engrossment, as amended." The motion prevailed.

Delmont moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Thursday, April 29, 1993, when the vote was taken on the final passage of H. F. No. 671, the first engrossment, as amended." The motion prevailed.

Greiling moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Tuesday, May 4, 1993, when the vote was taken on the final passage of H. F. No. 1199, as amended by the Senate." The motion prevailed.

Jennings moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Wednesday, May 5, 1993, when the vote was taken on the final passage of S. F. No. 911, as amended." The motion prevailed.

#### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Friday, May 7, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and Speaker pro tempore Bauerly declared the House stands adjourned until 9:00 a.m., Friday, May 7, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-THIRD DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 7, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Joy Bussert, Diamond Lake Lutheran Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Kinkel was excused until 9:35 a.m. Johnson, R.; Knickerbocker and Mariani were excused until 10:00 a.m. Rice was excused until 10:10 a.m. Simoneau was excused until 10:30 a.m. Greenfield was excused until 10:40 a.m.

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

S. F. No. 264 and H. F. No. 384, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Mariani moved that the rules be so far suspended that S. F. No. 264 be substituted for H. F. No. 384 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 338 and H. F. No. 167, 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. 338 be substituted for H. F. No. 167 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 751 and H. F. No. 1384, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Asch moved that the rules be so far suspended that S. F. No. 751 be substituted for H. F. No. 1384 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 832 and H. F. No. 1025, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Milbert moved that the rules be so far suspended that S. F. No. 832 be substituted for H. F. No. 1025 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 853 and H. F. No. 972, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 853 be substituted for H. F. No. 972 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1032 and H. F. No. 1286, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Murphy moved that the rules be so far suspended that S. F. No. 1032 be substituted for H. F. No. 1286 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1290 and H. F. No. 1310, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Mahon moved that the rules be so far suspended that S. F. No. 1290 be substituted for H. F. No. 1310 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1413 and H. F. No. 1185, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Farrell moved that the rules be so far suspended that S. F. No. 1413 be substituted for H. F. No. 1185 and that the House File be indefinitely postponed. The motion prevailed.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 264, 338, 751, 832, 853, 1032, 1290 and 1413 were read for the second time.

**HOUSE ADVISORIES**

The following House Advisories were introduced:

Farrell, Opatz, Perlt, Evans and Sarna introduced:

H. A. No. 18, A proposal to study a motor vehicle safety inspection program.

The advisory was referred to the Committee on Commerce and Economic Development.

Reding and Davids introduced:

H. A. No. 19, A proposal to conduct a study on authorizing public audits of local government organizations.

The advisory was referred to the Committee on Local Government and Metropolitan Affairs.

Cooper; Brown, C.; Kinkel; Anderson, R., and Gruenes introduced:

H. A. No. 20, A proposal to study options for reorganization of the regulatory system for Emergency Medical Services.

The advisory was referred to the Committee on Local Government and Metropolitan Affairs.

Leppik, McGuire, Blatz, Macklin and Mariani introduced:

H. A. No. 21, A proposal to study child abuse allegations in Family Court.

The advisory was referred to the Committee on Judiciary.

Wejcman, Clark, Dawkins and Luther introduced:

H. A. No. 22, A proposal to study the feasibility of a loan guarantee program to preserve rental housing.

The advisory was referred to the Committee on Housing.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 554, A bill for an act relating to occupations and professions; authorizing actions against lapsed licenses; requiring roofers to be licensed by the state; providing for temporary licenses and fees; amending Minnesota Statutes 1992, sections 45.027, by adding a subdivision; and 326.83, subdivisions 4, 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 185, A bill for an act relating to utilities; prohibiting state permits for construction of certain hydropower facilities on the bluffs of the Mississippi river; proposing coding for new law in Minnesota Statutes, chapter 216B.

H. F. No. 951, A bill for an act relating to the city of Duluth; authorizing the transfer of money from the gas division account in the public utility fund to the general fund; amending Laws 1951, chapter 507, section 1, as amended.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 732, A bill for an act relating to law enforcement; exempting law enforcement agencies from the requirements of the criminal offender rehabilitation employment law; amending Minnesota Statutes 1992, section 364.09.

PATRICK E. FLAHAVEN, Secretary of the Senate

**CONCURRENCE AND REPASSAGE**

McGuire moved that the House concur in the Senate amendments to H. F. No. 732 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 732, A bill for an act relating to law enforcement; exempting law enforcement agencies from the requirements of the criminal offender rehabilitation employment law; requiring disclosure of conviction during peace officer licensing process even after pardon extraordinary has been granted; amending Minnesota Statutes 1992, sections 364.09; and 638.02, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1169, A bill for an act relating to metropolitan government; requiring the transit commission to obtain consent to use parkways; amending Minnesota Statutes 1992, section 473.411, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Jefferson moved that the House concur in the Senate amendments to H. F. No. 1169 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1169, A bill for an act relating to metropolitan government; requiring the transit commission to obtain consent to use parkways; amending Minnesota Statutes 1992, section 473.411, subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, I.	Bettermann	Commers	Dorn	Gruenes	Jacobs	Kelley
Anderson, R.	Bishop	Cooper	Erhardt	Gutknecht	Jaros	Kelso
Asch	Blatz	Dauner	Evans	Hasskamp	Jefferson	Kinkel
Battaglia	Brown, C.	Dauids	Farrell	Haukoos	Jennings	Klinzing
Bauerly	Brown, K.	Dawkins	Garcia	Hausman	Johnson, A.	Koppendrayner
Beard	Carlson	Dehler	Girard	Holsten	Johnson, V.	Krinkie
Bergson	Carruthers	Delmont	Goodno	Hugoson	Kahn	Krueger
Bertram	Clark	Dempsey	Greiling	Huntley	Kalis	Lasley

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

Those who voted in the negative were:

Abrams

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

Madam Speaker:

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

H. F. No. 55, A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers, firefighters, and surviving spouses in the city of Eveleth; amending Laws 1977, chapter 61, section 6, as amended.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rukavina moved that the House concur in the Senate amendments to H. F. No. 55 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 55, A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers, firefighters, and surviving spouses in the city of Eveleth; amending Laws 1977, chapter 61, section 6, as amended.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1454, A bill for an act relating to the city of Hutchinson; permitting the city to erect certain signs.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Ness moved that the House concur in the Senate amendments to H. F. No. 1454 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1454, A bill for an act relating to the city of Hutchinson; permitting the city to erect certain signs.

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

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

Madam Speaker:

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

H. F. No. 962, A bill for an act relating to metropolitan government; requiring a classroom noise study.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Mahon moved that the House concur in the Senate amendments to H. F. No. 962 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 962, A bill for an act relating to metropolitan government; requiring a classroom noise study.

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 117 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bettermann	Goodno	Hugoson	Molnau	Waltman
Girard	Gruenes	Krinkie	Stanius	Workman

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

Madam Speaker:

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

H. F. No. 889, A bill for an act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; amending Minnesota Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Krueger moved that the House concur in the Senate amendments to H. F. No. 889 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 889, A bill for an act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; providing certain duties for the rural development board and Minnesota Technology, Inc.; amending Minnesota Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 116N.04, subdivision 1; 116O.02, subdivision 6; 116O.03, subdivision 1a; 116O.04, subdivision 1; 116O.05, subdivision 2; 116O.06, subdivision 1; 116O.08, subdivision 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982, subdivisions 6a, 8, and 9; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

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

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

Madam Speaker:

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

H. F. No. 1579, A bill for an act relating to public finance; changing procedures for allocating tax credits; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 462A.221, by adding subdivisions; 462A.222, subdivision 3; 474A.047, subdivision 1; and 474A.061, subdivision 2a.

## CONCURRENCE AND REPASSAGE

Rest moved that the House concur in the Senate amendments to H. F. No. 1579 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1579, A bill for an act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 462A.221, by adding subdivisions; 462A.222, subdivision 3; 474A.047, subdivision 1; and 474A.061, subdivision 2a.

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

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

Madam Speaker:

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

H. F. No. 1058, A bill for an act relating to landlord and tenant; modifying action to recover leased premises; providing for actions for destruction of leased residential rental property; allowing expedited proceedings; amending Minnesota Statutes 1992, sections 504.02, subdivision 1; and 566.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504; and 566.

PATRICK E. FLAHAVER, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Wejcman moved that the House concur in the Senate amendments to H. F. No. 1058 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1058, A bill for an act relating to landlord and tenant; modifying action to recover leased premises; providing for actions for destruction of leased residential rental property; allowing expedited proceedings; amending Minnesota Statutes 1992, sections 504.02, subdivision 1; and 566.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504; and 566.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark moved that the House refuse to concur in the Senate amendments to H. F. No. 1205, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 584, A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.50, subdivision 3; 237.51, subdivision 2; and 237.52, subdivision 2; repealing Laws 1987, chapter 308, section 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jennings moved that the House refuse to concur in the Senate amendments to H. F. No. 584, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 1133, A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

PATRICK E. FLAHAVEN, Secretary of the Senate

Hausman moved that the House refuse to concur in the Senate amendments to H. F. No. 1133, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 785, 1232, 1064, 1320, 544, 826 and 1226.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

S. F. Nos. 296, 894, 694, 937, 304, 1115, 141 and 788.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 785, A bill for an act relating to labor; establishing rights and duties in relation to union organization; providing that certain acts are an unfair labor practice; proposing penalties; amending Minnesota Statutes 1992, sections 179.12; 179A.07, by adding a subdivision; and 179A.13, subdivision 2.

The bill was read for the first time.

Rukavina moved that S. F. No. 785 and H. F. No. 349, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1232, A resolution memorializing Congress to consider the impact of the North American Free Trade Agreement on state sovereignty, the need for full legislative deliberation, and the withdrawal of NAFTA from the current fast-track procedures.

The bill was read for the first time.

Beard moved that S. F. No. 1232 and H. F. No. 1519, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1064, A bill for an act relating to retirement; alternative retirement coverage for certain state university and community college teachers; amending Laws 1990, chapter 570, article 10, section 7.

The bill was read for the first time.

Reding moved that S. F. No. 1064 and H. F. No. 1282, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1320, A bill for an act relating to education; requiring changes in college preparation requirements.

The bill was read for the first time.

Olson, K., moved that S. F. No. 1320 and H. F. No. 1195, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 544, A bill for an act relating to labor; providing that certain acts are an unfair labor practice; amending Minnesota Statutes 1992, sections 179.12; and 179A.13, subdivision 2.

The bill was read for the first time.

Winter moved that S. F. No. 544 and H. F. No. 651, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 826, A bill for an act relating to counties; allowing counties to impose fees or interest on late payments; amending Minnesota Statutes 1992, section 373.41.

The bill was read for the first time.

Perlt moved that S. F. No. 826 and H. F. No. 1493, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1226, A bill for an act relating to insurance; the comprehensive health association; clarifying the duties of the association and the authority of the commissioner of commerce; repealing obsolete language; amending Minnesota Statutes 1992, sections 62E.08; 62E.09; 62E.10, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 62E.

The bill was read for the first time.

Greenfield moved that S. F. No. 1226 and H. F. No. 1301, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 296, A bill for an act relating to human services; requiring parent's social security numbers at birth; modifying various child support provisions; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 144.215, by adding a subdivision; 518.551, subdivisions 5 and 7; 518.611, subdivisions 1, 2, 4, 6, and by adding a subdivision; and 518.613, subdivisions 2, 3, and 4.

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

S. F. No. 894, A bill for an act relating to agriculture; imposing licensing requirements for general merchandise storage warehouses; providing bond claim procedures; amending Minnesota Statutes 1992, sections 231.01, by adding a subdivision; 231.11; 231.12; 231.13; 231.14; 231.17; and 231.18; repealing Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33.

The bill was read for the first time.

Steensma moved that S. F. No. 894 and H. F. No. 1065, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 694, A bill for an act relating to driving while intoxicated; increasing driver's license revocation periods and restricting issuance of limited licenses to persons convicted of DWI, to comply with federal standards; increasing penalties for driving while intoxicated with a child under 16 in the vehicle; modifying bond provisions; establishing misdemeanor offense of operating a motor vehicle by a minor with alcohol concentration greater than 0.02; providing for implied consent to test minor's blood, breath, or urine and making refusal to take test a crime; amending Minnesota Statutes 1992, sections 168.042, subdivision 2; 169.121, subdivisions 1, 2, 3, 4, 6, 8, 10a, and by adding a subdivision; 169.1217, subdivisions 1 and 4; 169.123, subdivisions 2, 4, 5a, 6, 10, and by adding a subdivision; 169.129; 171.30, subdivision 2a; 171.305, subdivision 2; and 609.21; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time.

Carruthers moved that S. F. No. 694 and H. F. No. 900, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 937, A bill for an act relating to retirement; benefit computation for members of the Bloomington police relief association; amending Minnesota Statutes 1992, sections 353B.07, subdivision 3; 353B.08, subdivision 6; and 353B.11, subdivisions 2, 3, 5, and 6.

The bill was read for the first time.

Mahon moved that S. F. No. 937 and H. F. No. 973, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 304, A bill for an act relating to agriculture; requiring aquatic pest control applicators to be licensed; establishing categories of commercial aquatic applicator and certified aquatic applicator; exempting certain applications from aquatic pest control licensure requirements; amending Minnesota Statutes 1992, sections 18B.32; 18B.33, subdivisions 1 and 4; and 18B.34, subdivisions 1 and 3.

The bill was read for the first time.

Rukavina moved that S. F. No. 304 and H. F. No. 687, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1115, A bill for an act relating to natural resources; modifying provisions relating to aquaculture; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 17.4982, subdivisions 1, 8, and by adding a subdivision; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2, and by adding a subdivision; 17.4991, subdivisions 3, 4, and by adding a subdivision; 17.4992, subdivision 3; 18B.26, subdivision 1; 97C.203; 97C.515, subdivision 4, and by adding a subdivision; 97C.525, subdivision 3; and 103G.2241; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time.

Bettermann moved that S. F. No. 1115 and H. F. No. 1068, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 141, A bill for an act relating to uniform acts; enacting Minnesota Common Interest Ownership Act; amending Minnesota Statutes 1992, sections 308A.011, subdivision 1; 500.20, subdivision 2a; 508.71, by adding a subdivision; and 541.023, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 515B.

The bill was read for the first time.

Pugh moved that S. F. No. 141 and H. F. No. 243, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 788, A bill for an act relating to energy; clarifying maximum energy consumption requirements for certain exit lamps; eliminating advance forecast reporting requirements for public electric utilities submitting advance forecasts in an integrated resource plan; updating the municipal energy conservation loan program; eliminating the district heating loan program; providing for certain energy related matters with respect to rental property; amending Minnesota Statutes 1992, sections 16B.61, subdivision 3; 116C.54; 216B.16, by adding a subdivision; 216C.17, subdivision 3; 216C.19, subdivisions 17 and 19; 216C.31; 216C.37, subdivision 1; 299F.011, subdivision 4c; 446A.10, subdivision 2; 504.185, subdivision 1, and by adding a subdivision; and 504.22, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216C; repealing Minnesota Statutes 1992, sections 216C.36; and 327C.04, subdivision 4; Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380.

The bill was read for the first time.

Jacobs moved that S. F. No. 788 and H. F. No. 834, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following Conference Committee Report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 643

A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

May 5, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 643, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment

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

House Conferees: DARLENE LUTHER, JOHN J. SARNA AND ROBERT NESS.

Senate Conferees: WILLIAM V. BELANGER, JR., SAM G. SOLON AND JAMES P. METZEN.

Luther moved that the report of the Conference Committee on H. F. No. 643 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 643, A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. No. 519; S. F. Nos. 386, 536, 1148, 1244 and 1275; and H. F. No. 1247.

H. F. No. 519, A bill for an act relating to recreational vehicles; regulating registration and operation of off-highway motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 85.018, subdivisions 2, 3, and 5; 171.03; and 466.03, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 84.

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	Asch	Beard	Bettermann	Brown, C.	Carruthers	Cooper
Anderson, I.	Battaglia	Bergson	Bishop	Brown, K.	Clark	Dauner
Anderson, R.	Bauerly	Bertram	Blatz	Carlson	Commers	Dauids

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

The bill was passed and its title agreed to.

S. F. No. 386, A bill for an act relating to drivers' licenses; raising fee for two-wheeled vehicle endorsement; amending Minnesota Statutes 1992, section 171.06, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 536, A bill for an act relating to sheriffs; imposing on sheriffs a duty to investigate snowmobile accidents; amending Minnesota Statutes 1992, sections 84.86, subdivision 1; 84.872; and 387.03.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The Speaker called Bauerly to the Chair.

S. F. No. 1148, A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, 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 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hausman          Jaros                  McCollum          Tompkins

The bill was passed and its title agreed to.

S. F. No. 1244, A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

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

Those who voted in the negative were:

Bergson

The bill was passed and its title agreed to.

S. F. No. 1275 was reported to the House.

Wagenius moved to amend S. F. No. 1275, as follows:

Delete everything after the enacting clause and insert:

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

Subd. 4. [PERFORMANCE OF RESPONSE ACTIONS DOES NOT ASSOCIATE PERSONS WITH RELEASE.] Persons specified in subdivision 6 or 6a, paragraph (c), do not associate themselves with, or aggravate or contribute to, any release or threatened release identified in an approved voluntary response action plan for the purpose of section 115B.03, subdivision 3, paragraph (d), or subdivision 7, clause (1), of this section as a result of performance of the response actions required in accordance with the plan and the direction of the commissioner. ~~This subdivision~~

does not apply to a person specified in subdivision 7. Nothing in this section relieves a person of any liability for failure to exercise due care in performing a response action.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Sec. 6. [POLLUTION CONTROL AGENCY; APPROPRIATION; COMPLEMENT.]

\$361,000 in fiscal year 1994 and \$327,000 in fiscal year 1995 is appropriated to the pollution control agency from the environmental response, compensation, and compliance account for the purposes of sections 1 to 5. Any amount not spent in the first year does not cancel but is available in the second year.

The complement of the pollution control agency is increased by five positions for the purposes of sections 1 to 5."

Delete the title and insert:

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

The motion prevailed and the amendment was adopted.

S. F. No. 1275, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue determinations regarding association with a release; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B.

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

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

H. F. No. 1247 was reported to the House.

Gutknecht moved to amend H. F. No. 1247, the third engrossment, as follows:

Page 1, line 16, delete everything after the period

Page 1, line 17, delete "gender."

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

Krinkie moved to amend H. F. No. 1247, the third engrossment, as follows:

Page 4, line 13, delete "1999" and insert "1996"

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

H. F. No. 1247, A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168A.

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 91 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Davids	Jacobs	Leppik	Neary	Rest	Tompkins
Anderson, R.	Dawkins	Jefferson	Lieder	Nelson	Rhodes	Trimble
Asch	Dehler	Johnson, A.	Lourey	Opatz	Rice	Tunheim
Battaglia	Delmont	Johnson, R.	Luther	Orenstein	Rodosovich	Vellenga
Bauerly	Dempsey	Johnson, V.	Mahon	Orfield	Rukavina	Wagenius
Beard	Dorn	Kahn	Mariani	Osthoff	Sama	Weaver
Bergson	Erhardt	Kelley	McCollum	Ostrom	Seagren	Wejcman
Bertram	Evans	Kelso	McGuire	Ozment	Sekhon	Welle
Brown, K.	Farrell	Kinkel	Milbert	Pauly	Simoneau	Wenzel
Carlson	Garcia	Klinzing	Morrison	Pawlenty	Skoglund	Winter
Carruthers	Greenfield	Knickerbocker	Mosel	Pelowski	Steensma	Wolf
Clark	Greiling	Krueger	Munger	Pugh	Swenson	Worke
Cooper	Hausman	Lasley	Murphy	Reding	Tomassoni	Spk. Long

Those who voted in the negative were:

Abrams	Frerichs	Haukoos	Kalis	Macklin	Onnen	Van Dellen
Bettermann	Girard	Holsten	Koppendraye	Molnau	Perl	Vickerman
Bishop	Goodno	Hugoson	Krinkie	Ness	Peterson	Waltman
Blatz	Gruenes	Huntley	Limmer	Olson, E.	Smith	Workman
Commers	Gutknecht	Jaros	Lindner	Olson, K.	Stanius	
Dauner	Hasskamp	Jennings	Lynch	Olson, M.	Sviggum	

The bill was passed and its title agreed to.

## SPECIAL ORDERS

H. F. No. 1435 was reported to the House.

Clark moved that H. F. No. 1435 be returned to General Orders. The motion prevailed.

S. F. No. 697 was reported to the House.

Trimble moved that S. F. No. 697 be continued on Special Orders. The motion prevailed.

S. F. No. 521 was reported to the House.

Hugoson moved to amend S. F. No. 521, as follows:

Page 1, lines 7 to 9, delete Section 1

Renumber the sections in sequence.

A roll call was requested and properly seconded.

The question was taken on the Hugoson amendment and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Bergson	Dehler	Hasskamp	Leppik	Olson, E.	Stanius	Wenzel
Bettermann	Dempsey	Holsten	Lieder	Olson, M.	Steensma	Winter
Bishop	Farrell	Hugoson	Limmer	Ornen	Sviggum	Wolf
Blatz	Frerichs	Jennings	Lindner	Ozment	Swenson	Worke
Brown, C.	Girard	Johnson, V.	Lynch	Pawlenty	Tompkins	Workman
Brown, K.	Goodno	Kinkel	Molnau	Peterson	Van Dellen	
Commers	Gruenes	Koppendrayner	Mosel	Rhodes	Vickerman	
Davids	Gutknecht	Krinkie	Ness	Seagren	Waltman	

Those who voted in the negative were:

Abrams	Cooper	Huntley	Krueger	Murphy	Pugh	Solberg
Anderson, I.	Dauner	Jacobs	Lasley	Neary	Reding	Tomassoni
Anderson, R.	Dawkins	Jaros	Lourey	Nelson	Rest	Trimble
Asch	Delmont	Jefferson	Luther	Opatz	Rice	Tunheim
Battaglia	Dorn	Johnson, A.	Macklin	Orenstein	Rodosovich	Vellenga
Bauerly	Erhardt	Kahn	Mahon	Orfield	Rukavina	Wagenius
Beard	Evans	Kalis	Mariani	Osthoff	Sarna	Weaver
Bertram	Garcia	Kelley	McGuire	Ostrom	Sekhon	Wejzman
Carlson	Greenfield	Kelso	Milbert	Pauly	Simoneau	Welle
Carruthers	Greiling	Klinzing	Morrison	Pelowski	Skoglund	Spk. Long
Clark	Hausman	Knickerbocker	Munger	Perlt	Smith	

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

S. F. No. 521, A bill for an act relating to health; permitting minors to give consent for a hepatitis B vaccination; establishing procedures and programs relating to tuberculosis; proposing coding for new law in Minnesota Statutes, chapter 144.

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 118 yeas and 15 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Davids	Limmer	Olson, M.	Steensma	Wenzel
Dehler	Lindner	Onnen	Tompkins	Winter
Krinkie	Ness	Seagren	Waltman	Worke

The bill was passed and its title agreed to.

S. F. No. 253, A bill for an act relating to occupations and professions; clarifying the training requirements for private detectives and security guards; amending Minnesota Statutes 1992, section 326.3361, subdivisions 1, 2, 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	Cooper	Gruenes	Kelley	Mariani	Orenstein	Sarna
Anderson, I.	Dauner	Gutknecht	Kelso	McCollum	Orfield	Seagren
Anderson, R.	Davids	Hasskamp	Kinkel	McGuire	Osthoff	Sekhon
Asch	Dawkins	Haukoos	Klinzing	Milbert	Ostrom	Simoneau
Battaglia	Dehler	Hausman	Knickerbocker	Molnau	Ozment	Skoglund
Bauerly	Delmont	Holsten	Koppendrayner	Morrison	Pauly	Smith
Beard	Dempsey	Hugoson	Krinkie	Mosel	Pawlenty	Solberg
Bergson	Dorn	Huntley	Krueger	Munger	Pelowski	Sparby
Bertram	Erhardt	Jacobs	Lasley	Murphy	Perlt	Stanius
Bettermann	Evans	Jaros	Leppik	Neary	Peterson	Steensma
Bishop	Farrell	Jefferson	Lieder	Nelson	Pugh	Sviggum
Blatz	Frerichs	Jennings	Limmer	Ness	Reding	Swenson
Brown, K.	Garcia	Johnson, A.	Lindner	Olson, E.	Rest	Tomassoni
Carlson	Girard	Johnson, R.	Lourey	Olson, K.	Rhodes	Tompkins
Carruthers	Goodno	Johnson, V.	Luther	Olson, M.	Rice	Trimble
Clark	Greenfield	Kahn	Lynch	Onnen	Rodosovich	Tunheim
Commers	Greiling	Kalis	Mahon	Opatz	Rukavina	Van Dellen

Vellenga  
VickermanWagenius  
WaltmanWeaver  
WejcmanWelle  
WenzelWinter  
WolfWorke  
Workman

Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1317 was reported to the House.

Trimble moved that H. F. No. 1317 be continued on Special Orders. The motion prevailed.

H. F. No. 1499 was reported to the House.

Cooper moved to amend H. F. No. 1499, the first engrossment, as follows:

Page 2, line 19, after "practice" insert "or training requirements"

Page 2, after line 22, insert:

"Subd. 7. [EXEMPTION.] The provisions of subdivision 2 of this section do not apply to physicians and doctors of osteopathy licensed under chapter 147."

The motion prevailed and the amendment was adopted.

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

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

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

H. F. No. 1138, A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, 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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 589 was reported to the House.

Rice moved to amend S. F. No. 589, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 138.763, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] There is a St. Anthony Falls heritage board consisting of ~~13~~ 17 members with the director of the Minnesota historical society as chair. The members include the mayor, the chair of the Hennepin county board of commissioners or the chair's designee, two members each from the house of representatives appointed by the speaker, the senate appointed by the rules committee, the city council, the Hennepin county board, and the park board, and one each from the preservation commission, the preservation office, Hennepin county historical society, and the society.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to the St. Anthony Falls heritage board; providing for the composition of the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1."

The motion prevailed and the amendment was adopted.

S. F. No. 589, A bill for an act relating to the St. Anthony Falls heritage board; permitting the mayor of Minneapolis and the chair of the Hennepin board of commissioners to designate a representative to the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Molnau            Sviggum

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

S. F. No. 1097, A bill for an act relating to trusts; prohibiting trustees from exercising certain powers; proposing coding for new law in Minnesota Statutes, chapter 501B.

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	Blatz	Delmont	Greiling	Jefferson	Knickerbocker	Lynch
Anderson, I.	Brown, C.	Dempsey	Gruenes	Jennings	Koppendrayer	Macklin
Anderson, R.	Brown, K.	Dorn	Gutknecht	Johnson, A.	Krinkie	Mahon
Asch	Carlson	Erhardt	Hasskamp	Johnson, R.	Krueger	Mariani
Battaglia	Carruthers	Evans	Haukoos	Johnson, V.	Lasley	McCollum
Bauerly	Clark	Farrell	Hausman	Kahn	Leppik	McGuire
Beard	Commers	Frerichs	Holsten	Kalis	Lieder	Milbert
Bergson	Cooper	Garcia	Hugoson	Kelley	Limmer	Molnau
Bertram	Dauids	Girard	Huntley	Kelso	Lindner	Morrison
Bettermann	Dawkins	Goodno	Jacobs	Kinkel	Lourey	Mosel
Bishop	Dehler	Greenfield	Jaros	Klinzing	Luther	Munger

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

The bill was passed and its title agreed to.

S. F. No. 1208 was reported to the House.

Tunheim moved to amend S. F. No. 1208, as follows:

Page 1, line 25, delete "paragraphs (b) and (c)" and insert "paragraph (b)"

Page 2, line 2, delete "except Lake of the Woods"

Page 2, delete lines 3 to 5

Renumber the sections in sequence.

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Tunheim amendment and the roll was called. There were 31 yeas and 97 nays as follows:

Those who voted in the affirmative were:

Bauerly	Dauner	Johnson, R.	Nelson	Perlt	Sviggum	Welle
Beard	Davids	Kalis	Olson, E.	Reding	Tomassoni	
Bishop	Dawkins	Kinkel	Olson, K.	Rukavina	Trimble	
Brown, C.	Farrell	Klinzing	Opatz	Sarna	Tunheim	
Carlson	Jaros	Mariani	Pauly	Solberg	Vellenga	

Those who voted in the negative were:

Abrams	Dehler	Hasskamp	Koppendrayner	Milbert	Ozment	Swenson
Anderson, I.	Delmont	Haukoos	Krinkie	Molnau	Pawlenty	Tompkins
Anderson, R.	Dempsey	Hausman	Krueger	Morrison	Peterson	Van Dellen
Asch	Dorn	Holsten	Lasley	Mosel	Pugh	Vickerman
Battaglia	Erhardt	Hugoson	Leppik	Munger	Rest	Wagenius
Bergson	Evans	Huntley	Lieder	Murphy	Rhodes	Waltman
Bertram	Frerichs	Jacobs	Limmer	Neary	Seagren	Weaver
Bettermann	Garcia	Jennings	Lindner	Ness	Sekhon	Wejcman
Blatz	Girard	Johnson, A.	Lourey	Olson, M.	Simoneau	Wenzel
Brown, K.	Goodno	Johnson, V.	Luther	Onnen	Skoglund	Winter
Carruthers	Greenfield	Kahn	Lynch	Orenstein	Smith	Wolf
Clark	Greiling	Kelley	Mahon	Orfield	Sparby	Worke
Commers	Gruenes	Kelso	McCollum	Osthoff	Stanius	Workman
Cooper	Gutknecht	Knickerbocker	McGuire	Ostrom	Steensma	

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

Osthoff moved to amend S. F. No. 1208, as follows:

Page 2, line 15, delete the first comma and insert "and" and delete ", and 1995"

Page 2, line 21, delete "1996" and insert "1995"

The motion prevailed and the amendment was adopted.

Johnson, R.; Kinkel and Rukavina moved to amend S. F. No. 1208, as amended, as follows:

Page 1, line 25, delete "paragraphs (b) and (c)" and insert "paragraph (b)"

Page 2, line 2, delete "except Lake of the Woods" and insert "and do not apply to the counties of Beltrami, Hubbard, Cass, and St. Louis"

Page 2, delete lines 3 to 5

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Johnson, R., et al amendment and the roll was called. There were 25 yeas and 105 nays as follows:

Those who voted in the affirmative were:

Beard	Dorn	Johnson, R.	Olson, K.	Rukavina	Sviggum	Winter
Bergson	Farrell	Kinkel	Ostrom	Sarna	Tomassoni	
Brown, C.	Jaros	Mariani	Perlt	Simoneau	Trimble	
Carlson	Jefferson	Olson, E.	Rice	Solberg	Tunheim	

Those who voted in the negative were:

Abrams	Dauids	Hasskamp	Knickerbocker	McGuire	Osthoff	Swenson
Anderson, I.	Dawkins	Haukoos	Koppendrayer	Milbert	Ozment	Tompkins
Anderson, R.	Dehler	Hausman	Krinkie	Molnau	Pauly	Van Dellen
Asch	Delmont	Holsten	Krueger	Morrison	Pawlienty	Vellenga
Battaglia	Dempsey	Hugoson	Lasley	Mosel	Peterson	Vickerman
Bauerly	Erhardt	Huntley	Leppik	Munger	Pugh	Wagenius
Bertram	Evans	Jacobs	Lieder	Murphy	Rest	Waltman
Bettermann	Frerichs	Jennings	Limmer	Neary	Rhodes	Weaver
Bishop	Garcia	Johnson, A.	Lindner	Nelson	Seagren	Wejzman
Blatz	Girard	Johnson, V.	Lourey	Ness	Sekhon	Welle
Carruthers	Goodno	Kahn	Luther	Olson, M.	Skoglund	Wenzel
Clark	Greenfield	Kalis	Lynch	Onnen	Smith	Wolf
Commers	Greiling	Kelley	Macklin	Opatz	Sparby	Worke
Cooper	Gruenes	Kelso	Mahon	Orenstein	Stanius	Workman
Dauner	Gutknecht	Klinzing	McCollum	Orfield	Steensma	Spk. Long

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

Johnson, R., moved to amend S. F. No. 1208, as amended, as follows:

Page 1, line 26, delete "20" and insert "24"

Tunheim moved to amend the Johnson, R., amendment to S. F. No. 1208, as amended, as follows:

After line 1 of the Johnson, R., amendment add:

"Page 2, line 4, delete "19.5" and insert "24" "

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

The question recurred on the Johnson, R., amendment to S. F. No. 1208, as amended. The motion did not prevail and the amendment was not adopted.

S. F. No. 1208, A bill for an act relating to game and fish; allowing walleye and northern pike to be possessed and transported in a dressed or undressed condition; establishing an experimental program for commercial fishing in Minnesota-Wisconsin boundary waters; limiting number of larger pike taken; amending Minnesota Statutes 1992, sections 97A.551, by adding a subdivision; and 97C.401.

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 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Rukavina      Tunheim

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

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

RECESS

RECONVENED

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

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 259, A bill for an act relating to local government; providing for the publication of certain accounts and delinquent property tax information; amending Minnesota Statutes 1992, sections 281.13; 281.23, subdivision 3; and 375.17.

H. F. No. 498, A bill for an act relating to St. Louis county; solid waste management; clarifying St. Louis county contracting authority to include management operations; modifying contracting procedure; amending Minnesota Statutes 1992, section 383C.807, subdivision 1.

H. F. No. 1274, A bill for an act relating to veterans; authorizing the legislature to hear and determine claims by patients at the Minnesota veterans homes; amending Minnesota Statutes 1992, section 3.738, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 129, A bill for an act relating to marriage dissolution; maintenance; applying child support enforcement actions to actions to enforce maintenance; expanding notice of rights of parties in dissolution or separation proceeding; requiring child support order to assign responsibility for child's medical coverage; clarifying visitation rights; requiring dissolution judgment or decree to provide notice about principal residence; amending Minnesota Statutes 1992, sections 214.101, subdivisions 1 and 4; 518.17, subdivision 3; 518.171, subdivision 1; 518.175, subdivision 6; 518.177; 518.55; 518.551, subdivision 12; 518.583; 518.611, subdivision 2; and 518.641, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 518.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carruthers moved that the House refuse to concur in the Senate amendments to H. F. No. 129, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 994, A bill for an act relating to children; foster care and adoption placement; specifying time limits for compliance with placement preferences; setting standards for changing out-of-home placement; requiring notice of certain adoptions; clarifying certain language; requiring compliance with certain law; amending Minnesota Statutes 1992, sections 257.071, subdivisions 1 and 1a; 257.072, subdivision 7; 259.255; 259.28, subdivision 2, and by adding a subdivision; 259.455; 260.012; 260.181, subdivision 3; and 260.191, subdivisions 1a, 1d, and 1e; proposing coding for new law in Minnesota Statutes, chapters 257; and 259.

PATRICK E. FLAHAVEN, Secretary of the Senate

Blatz moved that the House refuse to concur in the Senate amendments to H. F. No. 994, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1133:

Hausman, Jacobs, Osthoff, Jennings and Neary.

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

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding printed Special Orders for today, Friday, May 7, 1993:

H. F. No. 900 and S. F. No. 1046.

#### SPECIAL ORDERS

S. F. No. 1046 was reported to the House.

Orenstein moved to amend S. F. No. 1046, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 488A.101, is amended to read:

488A.101 [COUNTY ATTORNEY AS PROSECUTOR, NOTICE TO COUNTY.]

A municipality or other subdivision of government seeking to use the county attorney for violations enumerated in section 488A.10, subdivision 11 shall notify the county board of its intention to use the services of the county attorney at least 60 days prior to the adoption of board's annual budget each year. A municipality may enter into an agreement with the county board and the county attorney to provide prosecution services for any criminal offense on a case-by-case basis.

Sec. 2. [609.749] [INTERFERENCE WITH ACCESS TO MEDICAL FACILITIES; PENALTY.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Medical facility" means a hospital or other health institution licensed under sections 144.50 to 144.56 or defined under section 144.561, or an agency, clinic, or office operated under the direction of the commissioner of health or a community health board, as defined in section 145A.02.

(b) "Person" does not include:

- (1) the chief executive officer of the medical facility;
- (2) a designee of the chief executive officer of the medical facility;
- (3) an agent of the medical facility; or
- (4) a law enforcement officer.

Subd. 2. [OBSTRUCTING ACCESS PROHIBITED.] A person is guilty of a gross misdemeanor who, with the intent to inhibit or block access to a medical facility, physically obstructs or impedes, or attempts to obstruct or impede any individual's passage.

Subd. 3. [NOT APPLICABLE.] Nothing in this section shall be construed to impair the right of any individual or group to engage in speech protected by the United States Constitution or the Minnesota Constitution, including but not limited to peaceful and lawful picketing.

Subd. 4. [CIVIL REMEDIES.] (a) A party who is aggrieved by an act prohibited by this section may bring an action for damages, injunctive or declaratory relief, as appropriate, in district court against any person or entity who has violated or has conspired to violate this section.

(b) A party who prevails in a civil action under this subdivision is entitled to recover from the violator damages, costs, attorney's fees, and other relief as determined by the court. In addition to all other damages, the court may award to the aggrieved party a civil penalty of up to \$1,000 for each violation.

(c) The remedies provided by this subdivision are in addition to any other legal or equitable remedies the aggrieved party may have and are not intended to diminish or substitute for those remedies or to be exclusive.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment and apply to acts committed on or after that date."

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

On the motion of Klinzing and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Carlson	Farrell	Haukoos	Johnson, R.	Krueger	Mariani
Anderson, I.	Carruthers	Frerichs	Hausman	Johnson, V.	Lasley	McCollum
Asch	Clark	Garcia	Holsten	Kalis	Leppik	McGuire
Battaglia	Cooper	Girard	Hugoson	Kelley	Lieder	Milbert
Bergson	Dauner	Goodno	Huntley	Kelso	Limmer	Molnau
Bertram	Dauids	Greenfield	Jacobs	Kinkel	Lindner	Mosel
Bettermann	Dawkins	Greiling	Jaros	Klinzing	Luther	Munger
Bishop	Dehler	Gruenes	Jefferson	Knickerbocker	Lynch	Murphy
Blatz	Dempsey	Gutknecht	Jennings	Koppendrayner	Macklin	Neary
Brown, C.	Dorn	Hasskamp	Johnson, A.	Krinkie	Mahon	Nelson

Ness	Ostrom	Reding	Skoglund	Swenson	Vickerman	Wolf
Olson, E.	Ozment	Rest	Smith	Tomassoni	Wagenius	Worke
Olson, M.	Pauly	Rhodes	Solberg	Tompkins	Waltman	Workman
Onnen	Pawlenty	Rukavina	Sparby	Trimble	Weaver	Spk. Long
Opatz	Pelowski	Seagren	Stanius	Tunheim	Wejcman	
Orfield	Perlt	Sekhon	Steensma	Van Dellen	Wenzel	
Osthoff	Pugh	Simoneau	Sviggum	Vellenga	Winter	

Anderson, I., 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.

Rukavina moved to amend S. F. No. 1046, as amended, as follows:

Page 2, line 18, after the comma, insert "or federal or state law"

Page 2, line 19, after "lawful" insert "handbilling and"

The motion prevailed and the amendment was adopted.

Orfield offered an amendment to S. F. No. 1046, as amended.

#### POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.09 that the Orfield amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Murphy moved to amend S. F. No. 1046, as amended, as follows:

Page 1, line 20, delete "MEDICAL" and insert "CERTAIN"

Pages 1 to 2, delete subdivision 1, and insert:

"Subdivision 1. [DEFINITION.] As used in this section, "place of public accommodation" has the meaning given it in section 363.01, subdivision 33."

Page 2, line 11, delete everything after "who" and insert "intentionally and physically obstructs any individual's lawful access to or egress from a place of public accommodation, a facility operated to generate or transmit utility services, or a manufacturing or food processing facility."

Page 2, delete lines 12 to 14

Amend the title as follows:

Page 1, line 3, delete "medical" and insert "certain"

A roll call was requested and properly seconded.

The question was taken on the Murphy amendment and the roll was called.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

There were 76 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Jacobs	Limmer	Olson, M.	Rodosovich	Tunheim
Anderson, R.	Dauids	Johnson, R.	Lindner	Ornen	Sarna	Van Dellen
Battaglia	Dehler	Johnson, V.	Lynch	Opatz	Seagren	Vickerman
Bauerly	Dempsey	Kalis	Macklin	Ozment	Smith	Waltman
Beard	Girard	Kelso	Milbert	Pauly	Solberg	Weaver
Bertram	Goodno	Kinkel	Molnau	Pawlenty	Sparby	Wenzel
Bettermann	Gruenes	Klinzing	Mosel	Pelowski	Stanisus	Winter
Blatz	Gutknecht	Koppendraye	Murphy	Peterson	Steensma	Wolf
Brown, C.	Hasskamp	Krinkie	Nelson	Pugh	Sviggum	Worke
Commers	Haukoos	Krueger	Ness	Reding	Swenson	Workman
Cooper	Hugoson	Lieder	Olson, E.	Rice	Tompkins	

Those who voted in the negative were:

Abrams	Delmont	Hausman	Knickerbocker	Morrison	Rest	Wagenius
Asch	Dorn	Holsten	Lasley	Munger	Rhodes	Wejzman
Bergson	Erhardt	Huntley	Leppik	Neary	Rukavina	Welle
Bishop	Evans	Jaros	Lourey	Olson, K.	Sekhon	Spk. Long
Brown, K.	Farrell	Jefferson	Luther	Orenstein	Simoneau	
Carlson	Frerichs	Jennings	Mahon	Orfield	Skoglund	
Carruthers	Garcia	Johnson, A.	Mariani	Osthoff	Tomassoni	
Clark	Greenfield	Kahn	McCollum	Ostrom	Trimble	
Dawkins	Greiling	Kelley	McGuire	Perlt	Vellenga	

The motion prevailed and the amendment was adopted.

Orenstein moved to amend S. F. No. 1046, as amended, as follows:

Page 1, line 12 of the Murphy amendment to S. F. No. 1046, as amended, after "facility" insert "the premises of which are subject to a court order governing the time, place, or manner of activities thereon, or to a medical facility"

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Orenstein amendment and the roll was called.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abrams	Delmont	Holsten	Leppik	Munger	Rest	Wagenius
Anderson, R.	Dorn	Huntley	Lieder	Neary	Rhodes	Wejzman
Asch	Erhardt	Jaros	Lourey	Olson, E.	Rukavina	Welle
Bergson	Evans	Jefferson	Luther	Olson, K.	Sekhon	Spk. Long
Bishop	Farrell	Jennings	Mahon	Orenstein	Simoneau	
Brown, K.	Frerichs	Johnson, A.	Mariani	Orfield	Skoglund	
Carlson	Garcia	Kahn	McCollum	Osthoff	Solberg	
Carruthers	Greenfield	Kelley	McGuire	Ostrom	Tomassoni	
Clark	Greiling	Knickerbocker	Milbert	Perlt	Trimble	
Dawkins	Hausman	Lasley	Morrison	Pugh	Vellenga	

Those who voted in the negative were:

Anderson, I.	Davids	Jacobs	Limmer	Onnen	Sarna	Van Dellen
Battaglia	Dehler	Johnson, R.	Lindner	Opatz	Seagren	Vickerman
Beard	Dempsey	Johnson, V.	Lynch	Ozment	Smith	Waltman
Bertram	Girard	Kalis	Macklin	Pauly	Sparby	Weaver
Bettermann	Goodno	Kelso	Molnau	Pawlenty	Stanius	Wenzel
Blatz	Gruenes	Kinkel	Mosel	Pelowski	Steensma	Winter
Brown, C.	Gutknecht	Klinzing	Murphy	Peterson	Sviggum	Wolf
Commers	Hasskamp	Koppendrayner	Nelson	Reding	Swenson	Worke
Cooper	Haukoos	Krinkie	Ness	Rice	Tompkins	Workman
Dauner	Hugoson	Krueger	Olson, M.	Rodosovich	Tunheim	

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

S. F. No. 1046, A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; authorizing civil and equitable remedies; amending Minnesota Statutes 1992, section 488A.101; proposing coding for new law in Minnesota Statutes, chapter 609.

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.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

#### CALL OF THE HOUSE LIFTED

Anderson, I., moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1735

A bill for an act relating to the financing and operation of government in Minnesota; revising the operation of the local government trust fund; modifying the administration, computation, collection, and enforcement of taxes; imposing taxes; changing tax rates, bases, credits, exemptions, withholding, and payments; modifying proposed tax notice and hearing requirements; modifying aids to local governments; modifying provisions relating to property tax valuations, classifications, and levies; changing tax increment financing provisions; changing the amount in the budget and cash flow reserve account; authorizing imposition of local taxes; updating references to the Internal Revenue Code; changing certain bonding and local government finance provisions; changing definitions; making technical corrections and clarifications; providing for grants and loans in certain cases; enacting provisions relating to certain cities, counties, and special taxing districts; prescribing penalties; appropriating money; amending Minnesota Statutes 1992, sections 16A.15, subdivision 6; 16A.1541; 17A.03, subdivision 5; 31.51, subdivision 9; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 97A.061, subdivisions 2 and 3; 103B.635, subdivision 2, as amended; 115B.22, subdivision 7; 124.2131, subdivision 1; 134.001, by adding a subdivision; 134.351, subdivision 4; 239.785; 256E.06, subdivision 12; 270.06; 270.07, subdivision 3; 270.41; 270.70, subdivision 1; 270A.10; 270B.01, subdivision 8; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 272.02, subdivisions 1 and 4; 272.115, subdivisions 1 and 4; 273.061, subdivisions 1 and 8; 273.11, subdivisions 1, 6a, 13, and by adding subdivisions; 273.112, by adding a subdivision; 273.121; 273.124, subdivisions 1, 9, 13, and by adding subdivisions; 273.13, subdivisions 23, 24, 25, and 33; 273.135, subdivision 2; 273.1398, subdivisions 1, 2, and by adding subdivisions; 273.33, subdivision 2; 275.065, subdivisions 1, 3, 5a, 6, and by adding a subdivision; 275.07, subdivision 1, and by adding a subdivision; 275.08, subdivision 1d; 276.02; 276.04, subdivision 2; 279.37, subdivision 1a; 289A.09, by adding a subdivision; 289A.18, subdivision 4; 289A.20, subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivision 3; 289A.50, subdivision 5; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 290.01, subdivisions 7, 19, 19a, and 19c; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; 290.0921, subdivision 3; 290A.03, subdivisions 3, 7, and 8; 290A.04, subdivision 2h, and by adding a subdivision; 290A.23; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.01, by adding a subdivision; 296.02, subdivision 8; 296.03; 296.14, subdivision 1; 296.18, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6, 13, and 15; 297A.136; 297A.14, subdivision 1; 297A.25, subdivisions 3, 7, 11, 16, 34, 41, and by adding a subdivision; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 298.75, subdivisions 4 and 5; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 319A.11, subdivision 1; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; 375.192, subdivision 2; 429.061, subdivision 1; 469.012, subdivision 1; 469.174, subdivisions 19 and 20; 469.175, by adding a subdivision; 469.176, subdivisions 1 and 4e; 469.1763, by adding a subdivision; 469.177, subdivisions 1 and 8; 469.1831, subdivision 4; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 4; 473.249, subdivision 2; 473.843, subdivision 3; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; 477A.03, subdivision 1; and 477A.14; Laws 1953, chapter 387, section 1; Laws 1969, chapter 561, section 1; Laws 1971, chapters 373, sections 1 and 2; 455, section 1; Laws 1985, chapter 302, sections 1, subdivision 3; 2, subdivision 1; and 4; proposing coding for new law in Minnesota Statutes, chapters 17; 116; 134; 270; 272; 273; 295; 297A; 383A; and 469; repealing Minnesota Statutes 1992, sections 115B.24, subdivision 10; 272.115, subdivision 1a; 273.1398, subdivision 5; 275.07, subdivision 3; 297A.01, subdivision 16; 297A.25, subdivision 42; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5; Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1 to 3.

May 6, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1735, 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. 1735 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

LOCAL AIDS

Section 1. Minnesota Statutes 1992, section 16A.712, is amended to read:

16A.712 [LOCAL GOVERNMENT TRUST; APPROPRIATIONS IN FISCAL YEAR 1993 AND SUBSEQUENT YEARS.]

(a) The amounts necessary to make the following payments in fiscal year 1993 and subsequent years are appropriated from the local government trust fund to the commissioner of revenue unless otherwise specified:

- (1) attached machinery aid to counties under section 273.138;
- (2) in fiscal year 1993 only, supplemental homestead credit under section 273.1391;
- (3) \$560,000 in fiscal year 1993 and \$300,000 annually in fiscal years 1994 and 1995 for tax administration;
- (4) \$105,000 annually to the commissioner of finance in fiscal years 1993, 1994, and 1995 to administer the trust fund;
- (5) \$25,000 annually to the advisory commission on intergovernmental relations in fiscal years 1993, 1994, and 1995 to pay nonlegislative members' per diem expenses and such other expenses as the commission deems appropriate;
- (6) \$350,000 in fiscal year 1993 and \$1,200,000 annually in fiscal years 1994 and year 1995 to the intergovernmental information systems advisory council to develop a local government financial reporting system, with the participation and ongoing oversight of the legislative commission on planning and fiscal policy; and
- (7) in fiscal year 1993 only, the transition credit under section 273.1398, subdivision 5, and the disparity reduction credit under section 273.1398, subdivision 4, for school districts. The school districts' transition credit and disparity reduction credit shall be appropriated to the commissioner of education.

(b) In addition, the legislature shall appropriate the rest of the trust fund receipts for fiscal year 1993 and subsequent years to finance intergovernmental aid formulas or programs prescribed by law.

Sec. 2. Minnesota Statutes 1992, section 256E.06, subdivision 12, is amended to read:

Subd. 12. [APPROPRIATION.] \$51,566,000 is appropriated from the local government trust fund in fiscal year 1993 and ~~\$53,113,000 annually, \$50,762,000 in fiscal years year 1994, and \$49,499,000 in fiscal year 1995,~~ and thereafter to the commissioner of human services for payment of aid under this section. ~~Notwithstanding subdivisions 1 and 2, the increased appropriation available in fiscal year 1994 and thereafter shall be used to increase each county's aid proportionately over the aid received in calendar year 1992. For calendar year 1993 only, each county's aid will be adjusted appropriately to reflect the increase that is dictated to occur in the second half of the calendar year.~~

Sec. 3. Minnesota Statutes 1992, section 273.1398, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of local tax rates.

(c) "Gross tax capacity" means the product of the gross class rates and estimated market values. "Total gross tax capacity" means the gross tax capacities for all property within the unique taxing jurisdiction. ~~The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined~~

in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Cross tax capacity cannot be less than zero.

(d) "Net tax capacity" means the product of (i) the appropriate net class rates for the year in which the aid is payable, except that for aids payable in 1992 the class rate applied to class 4b property shall be 2.9 percent; the class rate applied to class 4a property shall be 3.55 percent; the class rate applied to noncommercial seasonal recreational residential property shall be 2.25 percent; and the class rates applied to portions of class 1a, 1b, and 2a property shall be 2 percent for the market value between \$68,000 and \$110,000 and 2.5 percent for the market value over \$110,000; for aid payable in 1993 the class rate applicable to class 4a shall be 3.5 percent; and the class rate applicable to class 4b shall be 2.65 percent; and for aid payable in 1994 the class rate applicable to class 4b shall be 2.4 percent, and (ii) estimated market values for the assessment two years prior to that in which aid is payable. The reclassification of mobile home parks as class 4c shall not be considered in determining net tax capacity for purposes of this paragraph for aids payable in 1991 or 1992. Any reclassification of property by Laws 1991, chapter 291, shall not be considered in determining net tax capacity for aids payable in 1992. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) (d) "Previous net tax capacity" means the product of the appropriate net class rates for the year previous to the year in which the aid is payable, and estimated market values for the assessment two years prior to that in which aid is payable. "Total previous net tax capacity" means the previous net tax capacities for all property within the unique taxing jurisdiction. The total previous net tax capacity shall be reduced by the sum of (1) the unique taxing jurisdiction's previous net tax capacity of commercial-industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the previous net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the previous net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. Previous net tax capacity cannot be less than zero.

(f) (e) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(g) "1989 local tax rate" means the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989 by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.

(h) (f) "Equalized school levies" means the amounts levied for:

- (1) general education under section 124A.23, subdivision 2;
- (2) supplemental revenue under section 124A.22, subdivision 8a;
- (3) capital expenditure facilities revenue under section 124.243, subdivision 3;
- (4) capital expenditure equipment revenue under section 124.244, subdivision 2; and
- (5) basic transportation under section 124.226, subdivision 1.

(g) "Current local tax rate" means the quotient derived by dividing the taxes levied within a unique taxing jurisdiction for taxes payable in the year prior to that for which aids are being calculated by the net tax capacity of the unique taxing jurisdiction.

~~(i) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's 1989 local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.~~

(f) ~~(h)~~ For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties," "gross taxes," or "taxes levied" means the total taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F.02, subdivision 3, subject to the areawide tax as provided in section 473F.08, subdivision 6, in a unique taxing jurisdiction. ~~Gross taxes levied on all properties or gross taxes are before reduction by any credits for taxes payable in 1989.~~ "Gross taxes" are before any reduction for disparity reduction aid but "taxes levied" are after any reduction for disparity reduction aid. Gross taxes levied or taxes levied cannot be less than zero.

~~"Taxes levied" excludes actual amounts levied for purposes listed in subdivision 2a~~ equalized school levies.

~~(k)~~ (i) "Human services aids" means:

- (1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;
- (2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;
- (3) general assistance medical care under section 256D.03, subdivision 6;
- (4) general assistance under section 256D.03, subdivision 2;
- (5) work readiness under section 256D.03, subdivision 2;
- (6) emergency assistance under section 256.871, subdivision 6;
- (7) Minnesota supplemental aid under section 256D.36, subdivision 1;
- (8) preadmission screening and alternative care grants;
- (9) work readiness services under section 256D.051;
- (10) case management services under section 256.736, subdivision 13;
- (11) general assistance claims processing, medical transportation and related costs; and
- (12) medical assistance, medical transportation and related costs.

~~(l) "Cost of living adjustment factor" means the greater of one or one plus the percentage increase in the consumer price index minus .36 percent. In no case may the cost of living adjustment factor exceed 1.0394.~~

~~(m) The percentage increase in the consumer price index means the percentage, if any, by which:~~

- ~~(1) the consumer price index for the calendar year preceding that in which aid is payable, exceeds~~
- ~~(2) the consumer price index for calendar year 1989.~~

~~(n) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12-month period ending on May 31 of such calendar year.~~

(e) ~~"Consumer price index" means the last consumer price index for all urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.~~

(p) (j) "Household adjustment factor" means the number of households for the second most recent year preceding that in which the aids are payable divided by the number of households for the third most recent year. The household adjustment factor cannot be less than one.

(q) (k) ~~"Growth adjustment factor" means the household adjustment factor in the case of counties, cities, and towns. In the case of school districts the growth adjustment factor means the average daily membership of the school district under section 124.17, subdivision 2, for the school year ending in the second most recent year preceding that in which the aids are payable divided by the average daily membership for the third most recent year. In the case of cities, towns, school districts, and special taxing districts, the growth adjustment factor equals one. The growth adjustment factor cannot be less than one.~~

(r) (l) For aid payable in 1992 and subsequent years, "homestead and agricultural credit base" means the previous year's certified homestead and agricultural credit aid determined under subdivision 2 less any permanent aid reduction in the previous year to homestead and agricultural credit aid under section 477A.0132, plus, for aid payable in 1992, fiscal disparity homestead and agricultural credit aid under subdivision 2b.

(s) (m) "Net tax capacity adjustment" means (1) the total previous net tax capacity minus the total net tax capacity, multiplied by (2) the unique taxing jurisdiction's current local tax rate. The net tax capacity adjustment cannot be less than zero.

(t) (n) "Fiscal disparity adjustment" means the difference between (1) a taxing jurisdiction's fiscal disparity distribution levy under section 473F.08, subdivision 3, clause (a), for taxes payable in the year prior to that for which aids are being calculated, and (2) the same distribution levy multiplied by the ratio of the highest class rate for class 3 property for taxes payable in the year prior to that for which aids are being calculated to the highest class rate for class 3 property for taxes payable in the second prior year to that for which aids are being calculated. In the case of school districts, the fiscal disparity distribution levy shall exclude that part of the levy attributable to equalized school levies as defined in subdivision 2a.

Sec. 4. Minnesota Statutes 1992, section 273.1398, subdivision 2, is amended to read:

Subd. 2. [HOMESTEAD AND AGRICULTURAL CREDIT AID.] ~~(a) For aid payable in 1991, Homestead and agricultural credit aid for each unique taxing jurisdiction equals the total gross taxes levied on all properties, minus the unique taxing jurisdiction's subtraction factor. The commissioner of revenue may, in computing the amount of the homestead and agricultural credit aid paid in 1990 and subsequent years, adjust the gross tax capacity, net tax capacity, and gross taxes of a taxing jurisdiction for taxes payable in 1989 to reflect auditor's errors in computing taxes payable for 1989 in unique taxing jurisdictions within independent school district Nos. 720 and 792. Homestead and agricultural credit aid cannot be less than zero.~~

~~(b)(1) The 1990 and 1991 homestead and agricultural credit aid is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's gross taxes bears to the total gross taxes levied within the unique taxing jurisdiction. The net tax capacity adjustment is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's taxes levied bears to the total taxes levied in the unique taxing jurisdiction.~~

~~(2) The 1990 homestead and agricultural credit aid so determined for school districts for purposes of general education levies pursuant to section 124A.23, subdivisions 2 and 2a, and transportation levies pursuant to section 275.125, subdivisions 5 and 5c, shall be multiplied by the ratio of the adjusted gross tax capacity based upon the 1988 adjusted gross tax capacity to the estimated 1987 adjusted gross tax capacity based upon the 1987 adjusted assessed value.~~

~~(c) The calendar year 1990 homestead and agricultural credit aid shall be adjusted by the adjustment factor.~~

~~(d) Payments under this subdivision to counties in 1990 and 1991 shall be reduced by the amount provided in section 477A.012, subdivisions 3, paragraph (d), 4, paragraph (d), and 5.~~

~~(e) Payments under this subdivision to towns in 1990 and 1991 shall be reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivision 6.~~

~~(f) Payments under this subdivision to cities in 1990 and 1991 shall be reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivisions 6 and 7.~~

~~(g) Payments under this subdivision to special taxing districts, excluding hospital districts and the regional transit board defined in section 473.373, in 1990 and 1991 shall be reduced by an amount equal to 2.35 percent of the amount levied for taxes payable in 1990, before reduction for homestead and agricultural credit aid and disparity reduction aid. Payments under this subdivision to the regional transit board in 1990 and 1991 shall be reduced by \$450,000.~~

~~(h) Payments under this subdivision to all taxing jurisdictions in 1992 and subsequent years are equal to the product of (1) the homestead and agricultural credit aid base, and (2) the growth adjustment factor, plus the net tax capacity adjustment and the fiscal disparity adjustment.~~

Sec. 5. Minnesota Statutes 1992, section 273.1398, is amended by adding a subdivision to read:

Subd. 3a. [DISPARITY REDUCTION AID TO CITIES.] Notwithstanding the provisions of subdivision 3 or section 275.08, subdivision 1d, the amount of disparity reduction aid for a city for aid payable in calendar year 1994 and thereafter is zero, and the local tax rate for taxes payable in 1994 and thereafter for a city shall not be adjusted under section 275.08, subdivision 1d. For purposes of this subdivision, city means a statutory or home rule charter city.

Sec. 6. Minnesota Statutes 1992, section 275.07, subdivision 1, is amended to read:

Subdivision 1. The taxes voted by cities, counties, school districts, and special districts shall be certified by the proper authorities to the county auditor on or before five working days after December 20 in each year. A town must certify the levy adopted by the town board to the county auditor by September 1 each year. If the town board modifies the levy at a special town meeting after September 1, the town board must recertify its levy to the county auditor on or before five working days after December 20. The taxes certified shall not be ~~adjusted~~ reduced by the aid received under sections 273.1398, subdivisions 2 and 3, ~~and 477A.013, subdivision 5.~~ If a city, town, county, school district, or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year.

Sec. 7. Minnesota Statutes 1992, section 275.07, is amended by adding a subdivision to read:

Subd. 1a. [APPLICATION OF LIMITATIONS.] Any limitation upon the amount that may be levied by a local taxing jurisdiction shall apply to the sum of the levy as certified under subdivision 1 plus the certified homestead and agricultural credit aid amount under section 273.1398, subdivision 2, unless the commissioner of revenue certifies to the county auditor that the limitation applies to the levy under subdivision 1 only.

Sec. 8. Minnesota Statutes 1992, section 477A.011, subdivision 1a, is amended to read:

Subd. 1a. [CITY.] "City" means a statutory or home rule charter city. ~~City also means a town having a population of 5,000 or more for purposes of the aid payable under section 477A.013, subdivision 3. Towns are not eligible to be treated as cities for purposes of aid payable under section 477A.013, subdivision 5, or the aid adjustment under section 477A.013, subdivision 7.~~

Sec. 9. Minnesota Statutes 1992, section 477A.011, subdivision 20, is amended to read:

Subd. 20. [CITY NET TAX CAPACITY.] "City net tax capacity" means (1) ~~23 percent of the net tax capacity computed using the net tax capacity rates listed in Minnesota Statutes 1988, section 273.13, and the market values for aids payable in 1990 and the net tax capacity rates listed in Minnesota Statutes 1989 Supplement, section 273.13, for aids payable in 1991 and subsequent years for all taxable property within the city based on the assessment two years prior to that for which aids are being calculated, taxes payable in the year prior to the aid distribution~~ plus (2) a city's ~~levy on the fiscal disparities distribution~~ tax capacity under section 473F.08, subdivision 3 2, paragraph (a) (b), for taxes payable in the year prior to that for which aids are being calculated. The market value utilized in computing city net tax capacity shall be reduced by the sum of (1) a city's market value of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 2, paragraph (a), (2) the market value of the captured value of tax increment financing districts as defined in section

469.177, subdivision 2, and (3) the market value of transmission lines deducted from a city's total net tax capacity under section 273.425. The city net tax capacity will be computed using equalized market values.

Sec. 10. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 30. [PRE-1940 HOUSING PERCENTAGE.] "Pre-1940 housing percentage" for a city is 100 times the most recent federal census count of all housing units in the city built before 1940, divided by the total number of all housing units in the city. Housing units includes both occupied and vacant housing units as defined by the federal census.

Sec. 11. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 31. [POPULATION DECLINE PERCENTAGE.] "Population decline percentage" for a city is the percent decline in a city's population for the last ten years, based on the most recently available population estimate from the state demographer or a federal census. A city's population decline percentage cannot be less than zero.

Sec. 12. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 32. [COMMERCIAL INDUSTRIAL PERCENTAGE.] "Commercial industrial percentage" for a city is 100 times the sum of the estimated market values of all real property in the city classified as class 3 under section 273.13, subdivision 24, excluding public utility property, to the total market value of all taxable real and personal property in the city. The market values are the amounts computed before any adjustments for fiscal disparities under section 473F.08. The market values used for this subdivision are not equalized.

Sec. 13. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 33. [TRANSFORMED POPULATION.] "Transformed population" for a city is the city population raised to the .3308 power, times 30.5485.

Sec. 14. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 34. [CITY REVENUE NEED.] (a) For a city with a population equal to or greater than 2,500, "city revenue need" is the sum of (1) 3.462312 times the pre-1940 housing percentage; plus (2) 2.093826 times the commercial industrial percentage; plus (3) 6.862552 times the population decline percentage; plus (4) .00026 times the city population; plus (5) 152.0141.

(b) For a city with a population less than 2,500, "city revenue need" is the sum of (1) 1.795919 times the pre-1940 housing percentage; plus (2) 1.562138 times the commercial industrial percentage; plus (3) 4.177568 times the population decline percentage; plus (4) 1.04013 times the transformed population; minus (5) 107.475.

(c) The city revenue need cannot be less than zero.

(d) For calendar year 1995 and subsequent years, the city revenue need for a city, as determined in paragraphs (a) to (c), is multiplied by the ratio of the annual implicit price deflator for state and local government purchases, as prepared by the United States Department of Commerce, for the most recently available year to the 1993 implicit price deflator for state and local government purchases.

Sec. 15. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 35. [TAX EFFORT RATE.] "Tax effort rate" means the sum of the net levy for all cities divided by the sum of the city net tax capacity for all cities. For purposes of this section, "net levy" means the city levy, after all adjustments, used for calculating the local tax rate under section 275.08 for taxes payable in the year prior to the aid distribution. The fiscal disparity distribution levy is included in net levy.

Sec. 16. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 36. [CITY AID BASE.] "City aid base" means, for each city, the sum of the local government aid and equalization aid it was originally certified to receive in calendar year 1993 under Minnesota Statutes 1992, section 477A.013, subdivisions 3 and 5, and the amount of disparity reduction aid it received in calendar year 1993 under Minnesota Statutes 1992, section 273.1398, subdivision 3.

Sec. 17. Minnesota Statutes 1992, section 477A.011, is amended by adding a subdivision to read:

Subd. 37. [BASE REDUCTION PERCENTAGE.] "Base reduction percentage" is (1) the difference between the amount available for city aid under section 477A.03 for the year for which aid is being calculated and the amount available for city aid under section 477A.03 for calendar year 1994, (2) divided by the sum of the city aid base for all cities and (3) multiplied by 100. The reduction percentage for any year may not be less than the reduction percentage from the previous year. For aid paid in calendar year 1994, the reduction percentage is zero. The reduction percentage may not be more than 100 percent.

Sec. 18. Minnesota Statutes 1992, section 477A.013, is amended by adding a subdivision to read:

Subd. 8. [CITY AID INCREASE.] (a) In calendar year 1994 and subsequent years, the aid increase for a city is equal to the need increase percentage multiplied by the difference between (1) the city's revenue need multiplied by its population, and (2) the city's net tax capacity multiplied by the tax effort rate. The need increase percentage must be the same for all cities and must be calculated by the department of revenue so that the total of the aid under subdivision 9 equals the total amount available for aid under section 477A.03, subdivision 1.

(b) The percentage aid increase for a first class city in calendar year 1994 must not exceed the percentage increase in the sum of calendar year 1994 city aids under this section compared to the sum of the city aid base for all cities. The aid increase for any other city in 1994 must not exceed five percent of the city's net levy for taxes payable in 1993.

(c) The aid increase in calendar year 1995 and subsequent years for any city must not exceed the sum of (1) ten percent of the city's net levy for the year prior to the aid distribution plus (2) its city aid base multiplied by the base reduction percentage.

Sec. 19. Minnesota Statutes 1992, section 477A.013, is amended by adding a subdivision to read:

Subd. 9. [CITY AID DISTRIBUTION.] In calendar year 1994 and thereafter, each city shall receive an aid distribution equal to the sum of (1) the city aid increase under subdivision 8, and (2) its city aid base multiplied by a percentage equal to 100 minus the base reduction percentage.

Sec. 20. Minnesota Statutes 1992, section 477A.03, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL APPROPRIATION.] A sum sufficient to discharge the duties imposed by sections 477A.011 to 477A.014 is annually appropriated from the local government trust fund to the commissioner of revenue. For aids payable in 1993 and thereafter, the total amount of equalization aid paid under section 477A.013, subdivision 5, is limited to \$20,011,000. For aid payable in 1994 and thereafter, the total aid paid to cities under section 477A.013, subdivision 9, is limited to \$330,636,900.

In 1993 and subsequent years, \$8,400,000 per year is appropriated from the local government trust fund to make payments under section 477A.0121.

Sec. 21. [REPEALER.]

Minnesota Statutes 1992, sections 273.1398, subdivision 5; and 275.07, subdivision 3, are repealed.

Minnesota Statutes 1992, sections 477A.011, subdivisions 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5, are repealed.

Sec. 22. [EFFECTIVE DATE.]

Section 2 is effective July 1, 1993. Sections 3 to 21 are effective for property taxes and aids payable in 1994, and thereafter.

## ARTICLE 2

### PROPERTY TAXES

Section 1. Minnesota Statutes 1992, section 82.19, is amended by adding a subdivision to read:

Subd. 8. [DISCLOSURE OF VALUATION EXCLUSION.] No real estate broker or salesperson shall sell or offer for sale property that, for purposes of property taxation, has an exclusion from market value for home improvements

under section 273.11, subdivision 16, without disclosing to the buyer the existence of the excluded valuation and informing the buyer that the exclusion will end upon the sale of the property and that the property's estimated market value for property tax purposes will increase accordingly.

Sec. 2. Minnesota Statutes 1992, section 272.01, subdivision 3, is amended to read:

Subd. 3. The provisions of subdivision 2 shall not apply to:

(a) Federal property for which payments are made in lieu of taxes in amounts equivalent to taxes which might otherwise be lawfully assessed;

(b) Real estate exempt from ad valorem taxes and taxes in lieu thereof which is leased, loaned, or otherwise made available to telephone companies or electric, light and power companies upon which personal property consisting of transmission and distribution lines is situated and assessed pursuant to sections 273.37, 273.38, 273.40 and 273.41, or upon which are situated the communication lines of express, railway, telephone or telegraph companies, and or pipelines used for the transmission and distribution of petroleum products, or the equipment items of a cable communications company subject to sections 238.35 to 238.42;

(c) Property presently owned by any educational institution chartered by the territorial legislature;

(d) Indian lands;

(e) Property of any corporation organized as a tribal corporation under the Indian Reorganization Act of June 18, 1934, (Statutes at Large, volume 48, page 984);

(f) Real property owned by the state and leased pursuant to section 161.23 or 161.431, and acts amendatory thereto;

(g) Real property owned by a seaway port authority on June 1, 1967, upon which there has been constructed docks, warehouses, tank farms, administrative and maintenance buildings, railroad and ship terminal facilities and other maritime and transportation facilities or those directly related thereto, together with facilities for the handling of passengers and baggage and for the handling of freight and bulk liquids, and personal property owned by a seaway port authority used or usable in connection therewith, when said property is leased to a private individual, association or corporation, but only when such lease provides that the said facilities are available to the public for the loading and unloading of passengers and their baggage and the handling, storage, care, shipment, and delivery of merchandise, freight and baggage and other maritime and transportation activities and functions directly related thereto, but not including property used for grain elevator facilities; it being the declared policy of this state that such property when so leased is public property used exclusively for a public purpose, notwithstanding the one-year limitation in the provisions of section 273.19;

(h) Notwithstanding the provisions of clause (g), when the annual rental received by a seaway port authority in any calendar year for such leased property exceeds an amount reasonably required for administrative expense of the authority per year, plus promotional expense for the authority not to exceed the sum of \$100,000 per year, to be expended when and in the manner decided upon by the commissioners, plus an amount sufficient to pay all installments of principal and interest due, or to become due, during such calendar year and the next succeeding year on any revenue bonds issued by the authority, plus 25 percent of the gross annual rental to be retained by the authority for improvement, development, or other contingencies, the authority shall make a payment in lieu of real and personal property taxes of a reasonable portion of the remaining annual rental to the county treasurer of the county in which such seaway port authority is principally located. Any such payments to the county treasurer shall be disbursed by the treasurer on the same basis as real estate taxes are divided among the various governmental units, but if such port authority shall have received funds from the state of Minnesota and funds from any city and county pursuant to Laws 1957, chapters 648, 831, and 849 and acts amendatory thereof, then such disbursement by the county treasurer shall be on the same basis as real estate taxes are divided among the various governmental units, except that the portion of such payments which would otherwise go to other taxing units shall be divided equally among the state of Minnesota and said county and city.

Sec. 3. Minnesota Statutes 1992, section 272.02, subdivision 1, is amended to read:

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

(1) all public burying grounds;

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

The following personal property shall be taxable:

- (a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;
  - (b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;
  - (c) personal property defined in section 272.03, subdivision 2, clause (3);
  - (d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;
  - (e) manufactured homes and sectional structures, including storage sheds, decks, and similar removable improvements constructed on the site of a manufactured home, sectional structure, park trailer or travel trailer as provided in section 274.19, subdivision 8, paragraph (f); and
  - (f) flight property as defined in section 270.071.
- (9) Personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, and real property which is used primarily for abatement and control of air, water, or land pollution as part of an agricultural operation, as a part of a centralized treatment and recovery facility operating under a permit issued by the Minnesota pollution control agency pursuant to chapters 115 and 116 and Minnesota Rules, parts 7001.0500 to 7001.0730, and 7045.0020 to 7045.1260, as a wastewater treatment facility and for the treatment, recovery, and stabilization of metals, oils, chemicals, water, sludges, or inorganic materials from hazardous industrial wastes, or as part of an electric generation system. For purposes of this clause, personal property includes ponderous machinery and equipment used in a business or production activity that at common law is considered real property.

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

(10) Wetlands. For purposes of this subdivision, "wetlands" means: (i) land described in section 103G.005, subdivision 18; (ii) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage

and grains, except wild rice; or (iii) land in a wetland preservation area under sections 103F.612 to 103F.616. "Wetlands" under items (i) and (ii) include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands, but do not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(25) A structure that is situated on real property that is used for:

(i) housing for the elderly or for low- and moderate-income families as defined in Title II of the National Housing Act, as amended through December 31, 1990, and funded by a direct federal loan or federally insured loan made pursuant to Title II of the act; or

(ii) housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and which meets each of the following criteria:

(A) is owned by an entity which is operated as a nonprofit corporation organized under chapter 317A;

(B) is owned by an entity which has not entered into a housing assistance payments contract under section 8 of the United States Housing Act of 1937, or, if the entity which owns the structure has entered into a housing assistance payments contract under section 8 of the United States Housing Act of 1937, the contract provides assistance for less than 90 percent of the dwelling units in the structure, excluding dwelling units intended for management or maintenance personnel;

(C) operates an on-site congregate dining program in which participation by residents is mandatory, and provides assisted living or similar social and physical support services for residents; and

(D) was not assessed and did not pay tax under chapter 273 prior to the 1991 levy, while meeting the other conditions of this clause.

An exemption under this clause remains in effect for taxes levied in each year or partial year of the term of its permanent financing.

(26) Real and personal property that is located in the Superior National Forest, and owned or leased and operated by a nonprofit organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1992, and primarily used to provide recreational opportunities for disabled veterans and their families.

Sec. 4. Minnesota Statutes 1992, section 272.02, subdivision 4, is amended to read:

Subd. 4. [CONVERSION TO EXEMPT OR TAXABLE USES.] (a) Any property exempt from taxation on January 2 of any year which, due to sale or other reason, loses its exemption prior to July 1 of any year, shall be placed on the current assessment rolls for that year.

The valuation shall be determined with respect to its value on January 2 of such year. The classification shall be based upon the use to which the property was put by the purchaser, or in the event the purchaser has not utilized the property by July 1, the intended use of the property, determined by the county assessor, based upon all relevant facts.

(b) Property subject to tax on January 2 that is acquired by a governmental entity, institution of purely public charity, church, or educational institution before July 1 of the year is exempt for that assessment year if (1) the property is to be used for an exempt purpose under subdivision 1, clauses (1) to (7), and (2) the property is not subject to the filing requirement under section 272.025.

Sec. 5. Minnesota Statutes 1992, section 272.115, subdivision 1, is amended to read:

Subdivision 1. ~~Except as provided in subdivision 1a,~~ Whenever any real estate is sold for a consideration in excess of \$1,000, whether by warranty deed, quitclaim deed, contract for deed or any other method of sale, the grantor, grantee or the legal agent of either shall file a certificate of value with the county auditor in the county in which the property is located ~~within 30 days of the sale when the deed or other document is presented for recording.~~ Contract for deeds are subject to recording under section 507.235, subdivision 1. Value shall, in the case of any deed not a gift, be the amount of the full actual consideration thereof, paid or to be paid, including the amount of any lien or liens assumed. The certificate of value shall include the classification to which the property belongs for the purpose of determining the fair market value of the property. The certificate shall include financing terms and conditions of the sale which are necessary to determine the actual, present value of the sale price for purposes of the sales ratio study. The commissioner of revenue shall promulgate administrative rules specifying the financing terms and conditions which must be included on the certificate.

Sec. 6. Minnesota Statutes 1992, section 272.115, subdivision 4, is amended to read:

Subd. 4. No real estate sold or transferred on or after January 1, 1993, under subdivision ~~4a~~ 1 shall be classified as a homestead, unless a certificate of value has been filed with the county auditor in accordance with this section.

This subdivision shall apply to any real estate taxes that are payable the year or years following the sale or transfer of the property.

Sec. 7. Minnesota Statutes 1992, section 273.061, subdivision 8, is amended to read:

Subd. 8. [POWERS AND DUTIES.] The county assessor shall have the following powers and duties:

(1) To call upon and confer with the township and city assessors in the county, and advise and give them the necessary instructions and directions as to their duties under the laws of this state, to the end that a uniform assessment of all real property in the county will be attained.

(2) To assist and instruct the local assessors in the preparation and proper use of land maps and record cards, in the property classification of real and personal property, and in the determination of proper standards of value.

(3) To keep the local assessors in the county advised of all changes in assessment laws and all instructions which the assessor receives from the commissioner of revenue relating to their duties.

(4) To have authority to require the attendance of groups of local assessors at sectional meetings called by the assessor for the purpose of giving them further assistance and instruction as to their duties.

(5) To immediately commence the preparation of a large scale topographical land map of the county, in such form as may be prescribed by the commissioner of revenue, showing thereon the location of all railroads, highways and roads, bridges, rivers and lakes, swamp areas, wooded tracts, stony ridges and other features which might affect the value of the land. Appropriate symbols shall be used to indicate the best, the fair, and the poor land of the county. For use in connection with the topographical land map, the assessor shall prepare and keep available in the assessor's office tables showing fair average minimum and maximum market values per acre of cultivated, meadow, pasture, cutover, timber and waste lands of each township. The assessor shall keep the map and tables available in the office for the guidance of town assessors, boards of review, and the county board of equalization.

(6) To also prepare and keep available in the office for the guidance of town assessors, boards of review and the county board of equalization, a land valuation map of the county, in such form as may be prescribed by the commissioner of revenue. This map, which shall include the bordering tier of townships of each county adjoining, shall show the average market value per acre, both with and without improvements, as finally equalized in the last assessment of real estate, of all land in each town or unorganized township which lies outside the corporate limits of cities.

(7) To regularly examine all conveyances of land outside the corporate limits of cities of the first and second class, filed with the county recorder of the county, and keep a file, by descriptions, of the considerations shown thereon. From the information obtained by comparing the considerations shown with the market values assessed, the assessor shall make recommendations to the county board of equalization of necessary changes in individual assessments or aggregate valuations.

(8) To prepare annually and keep available in the assessor's office for the guidance of boards of review and the county board of equalization, a table showing the market value per capita of all personal property in each assessment district in the county as finally equalized in the last previous assessment of personal property. For the guidance of the county board of equalization, the assessor shall also add to the table the market value per capita of all personal property of each assessment district for the current year as equalized by the local board of review.

(9) To become familiar with the values of the different items of personal property so as to be in a position when called upon to advise the boards of review and the county board of equalization concerning property, market values thereof.

(10) While the county board of equalization is in session, to give it every possible assistance to enable it to perform its duties. The assessor shall furnish the board with all necessary charts, tables, comparisons, and data which it requires in its deliberations, and shall make whatever investigations the board may desire.

(11) At the request of either the board of county commissioners or the commissioner of revenue, to investigate applications for reductions of valuation and abatements and settlements of taxes, examine the real or personal property involved, and submit written reports and recommendations with respect to the applications, in such form as may be prescribed by the board of county commissioners and commissioner of revenue.

(12) To make diligent search each year for real and personal property which has been omitted from assessment in the county, and report all such omissions to the county auditor.

(13) To regularly confer with county assessors in all adjacent counties about the assessment of property in order to uniformly assess and equalize the value of similar properties and classes of property located in adjacent counties. The conference shall emphasize the assessment of agricultural and commercial and industrial property or other properties that may have an inadequate number of sales in a single county.

(14) To render such other services pertaining to the assessment of real and personal property in the county as are not inconsistent with the duties set forth in this section, and as may be required by the board of county commissioners or by the commissioner of revenue.

(15) To maintain a record, in conjunction with other county offices, of all transfers of property to assist in determining the proper classification of property, including but not limited to, transferring homestead property and name changes on homestead property.

(16) To determine if a homestead application is required due to the transfer of homestead property or an owner's name change on homestead property.

Sec. 8. Minnesota Statutes 1992, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 8, 9, 11, and 14 this section or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. The assessor shall take into account the effect on the market value of property of environmental factors in the vicinity of the property. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, platted property shall be assessed as provided in subdivision 14. All property, or the use thereof, which is taxable under section 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 9. Minnesota Statutes 1992, section 273.11, is amended by adding a subdivision to read:

Subd. 1a. [LIMITED MARKET VALUE.] In the case of all property classified as agricultural homestead or non-homestead, residential homestead or non-homestead, or non-commercial seasonal recreational residential, the assessor shall compare the value with that determined in the preceding assessment. The amount of the increase entered in the current assessment shall not exceed the greater of (1) ten percent of the value in the preceding assessment, or (2) one-third of the difference between the current assessment and the preceding assessment. This limitation shall not apply to increases in value due to improvements. For purposes of this subdivision, the term "assessment" means the value prior to any exclusion under section 273.11, subdivision 16.

The provisions of this subdivision shall be in effect only for assessment years 1993 through 1998.

For purposes of the assessment/sales ratio study conducted under section 124.2131, and the computation of state aids paid under chapters 124, 124A, and 477A, market values and net tax capacities determined under this subdivision and section 273.11, subdivision 16, shall be used.

Sec. 10. Minnesota Statutes 1992, section 273.11, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other provision of law to the contrary, the limitation contained in subdivision subdivisions 1 and 1a shall also apply to the authority of the local board of review as provided in section 274.01, the county board of equalization as provided in section 274.13, the state board of equalization and the commissioner of revenue as provided in sections 270.11, 270.12 and 270.16.

Sec. 11. Minnesota Statutes 1992, section 273.11, subdivision 6a, is amended to read:

Subd. 6a. [~~RESIDENTIAL FIRE-SAFETY SPRINKLER SYSTEMS.~~] For purposes of property taxation, the market value of automatic fire-safety sprinkler systems installed in existing buildings after January 1, 1992, meeting the standards of the Minnesota fire code shall be excluded from the market value of (1) existing multifamily residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence and (2) existing real estate containing four or more contiguous residential units for use by customers of the owner, such as hotels, motels, and lodging houses and (3) existing office buildings or mixed use commercial-residential buildings, in which at least one story capable of occupancy is at least 75 feet above the ground. The market value exclusion under this section shall expire if the property is sold.

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

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

Sec. 13. Minnesota Statutes 1992, section 273.11, is amended by adding a subdivision to read:

Subd. 16. [VALUATION EXCLUSION FOR CERTAIN IMPROVEMENTS.] Improvements to homestead property made before January 2, 2003, shall be fully or partially excluded from the value of the property for assessment purposes provided that the house is at least 35 years old at the time of the improvement. In the case of an owner-occupied duplex or triplex, the improvement is eligible regardless of which portion of the property was improved.

If the property lies in a jurisdiction which is subject to a building permit process, a building permit must have been issued covering the improvement. If the property lies in a jurisdiction which is not subject to a building permit process, the improvement must add at least \$1,000 to the value of the property. Only improvements to the structure which is the residence of the qualifying homesteader or the garage qualify for the provisions of this subdivision.

Whenever a building permit is issued for property currently classified as homestead, the issuing jurisdiction shall notify the assessor of the possibility of valuation exclusion under this subdivision. The assessor may require an application process and documentation of the age of the house from the owner, if unknown.

The assessor shall note the qualifying value of each improvement on the property's record, and the sum of those amounts shall be subtracted from the value of the property in each year for ten years after the improvement has been made, at which time an amount equal to 20 percent of the qualifying value shall be added back in each of the five subsequent assessment years. The valuation exclusion shall terminate whenever (1) the property is sold, or (2) the property is reclassified to a class which does not qualify for treatment under this subdivision.

The total qualifying value for a homestead may not exceed \$50,000. The total qualifying value for a homestead with a house that is less than 70 years old may not exceed \$25,000. The term "qualifying value" means the increase in estimated market value resulting from the improvement if the improvement occurs when the house is at least 70 years old, or one-half of the increase in estimated market value resulting from the improvement otherwise. The \$25,000 and \$50,000 maximum qualifying value under this section may result from up to three separate improvements to the homestead.

Sec. 14. Minnesota Statutes 1992, section 273.112, subdivision 3, is amended to read:

Subd. 3. Real estate shall be entitled to valuation and tax deferral under this section only if it is:

(a) actively and exclusively devoted to golf, skiing, or archery or firearms range recreational use or uses and other recreational uses carried on at the establishment;

(b) five acres in size or more, except in the case of an archery or firearms range;

(c)(1) operated by private individuals and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests; or

(3) operated by private clubs having a membership of 50 or more, provided that the club does not discriminate in membership requirements or selection on the basis of sex or marital status; and

(d) made available, in the case of real estate devoted to golf, for use without discrimination on the basis of sex during the time when the facility is open to use by the public or by members, except that use for golf may be restricted on the basis of sex no more frequently than one, or part of one, weekend each calendar month for each sex and no more than two, or part of two, weekdays each week for each sex.

If a golf club membership allows use of golf course facilities by more than one adult per membership, the use must be equally available to all adults entitled to use of the golf course under the membership, except that use may be restricted on the basis of sex as permitted in this section. Memberships that permit play during restricted times may be allowed only if the restricted times apply to all adults using the membership. A golf club may not offer a membership or golfing privileges to a spouse of a member that provides greater or less access to the golf course than is provided to that person's spouse under the same or a separate membership in that club, except that the terms of a membership may provide that one spouse may have no right to use the golf course at any time while the other spouse may have either limited or unlimited access to the golf course.

A golf club may have or create an individual membership category which entitles a member for a reduced rate to play during restricted hours as established by the club. The club must have on record a written request by the member for such membership.

A golf club that has food or beverage facilities or services must allow equal access to those facilities and services for both men and women members in all membership categories at all times. Nothing in this paragraph shall be construed to require service or access to facilities to persons under the age of 21 years or require any act that would violate law or ordinance regarding sale, consumption, or regulation of alcoholic beverages.

For purposes of this subdivision and subdivision 7a, discrimination means a pattern or course of conduct and not linked to an isolated incident.

Sec. 15. Minnesota Statutes 1992, section 273.112, is amended by adding a subdivision to read:

Subd. 4a. Real estate devoted to golf and operated by a private club that does not meet the requirements of subdivision 3, and is not eligible for valuation and deferment under this section, must be valued for ad valorem tax purposes by the assessor as if it were converted to commercial, industrial, residential, or seasonal residential use and were platted and available for sale as individual parcels.

Sec. 16. Minnesota Statutes 1992, section 273.121, is amended to read:

273.121 [VALUATION OF REAL PROPERTY, NOTICE.]

Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be assessed or reclassified that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of review or equalization. It shall contain: (1) ~~the amount of the valuation in terms of market value,~~ (2) the limited market value under section 273.11, subdivision 1a, (3) the qualifying amount of any improvements under section 273.11, subdivision 16, (4) the market value subject to taxation after subtracting the amount of any qualifying improvements, (5) the new classification, (6) the assessor's office address, and (7) the dates, places, and times set for the meetings of the local board of review or equalization and the county board of equalization. If the assessment roll is not complete, the notice shall be sent by ordinary mail at least ten days prior to the date on which the board of review has adjourned. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any assessor who is not provided sufficient funds from the assessor's governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and, if satisfied that the assessor does not have the necessary funds, issue a certification to the commissioner of finance of the amount necessary to provide such notices. The commissioner of finance shall issue a warrant for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

Sec. 17. Minnesota Statutes 1992, section 273.124, subdivision 1, is amended to read:

Subdivision 1. [GENERAL RULE.] (a) Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

The assessor shall require proof, as provided in subdivision 13, of the facts upon which classification as a homestead may be determined. Notwithstanding any other law, the assessor may at any time require a homestead application to be filed in order to verify that any property classified as a homestead continues to be eligible for homestead status.

When there is a name change or a transfer of homestead property, the assessor may reclassify the property in the next assessment unless a homestead application is filed to verify that the property continues to qualify for homestead classification.

(b) For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

(c) Residential real estate that is occupied and used for purposes of a homestead by a relative of the owner is a homestead but only to the extent of the homestead treatment that would be provided if the related owner occupied the property. For purposes of this paragraph, "relative" means a parent, stepparent, child, stepchild, spouse, grandparent, grandchild, brother, sister, uncle, or aunt. This relationship may be by blood or marriage. Property that was classified as seasonal recreational residential property at the time when treatment under this paragraph would first apply shall continue to be classified as seasonal recreational residential property for the first ~~two~~ four assessment years beginning after the date when the relative of the owner occupies the property as a homestead; this delay also applies to property that, in the absence of this paragraph, would have been classified as seasonal recreational residential property at the time when the residence was constructed. Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative. In the case of a residence located on agricultural land, only the house, garage, and immediately surrounding one acre of land shall be classified as a homestead under this paragraph, except as provided in paragraph (d).

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

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

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

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

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

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

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

Sec. 18. Minnesota Statutes 1992, section 273.124, is amended by adding a subdivision to read:

Subd. 6a. [PRELIMINARY APPROVAL OF LEASEHOLD COOPERATIVES.] Preliminary approval for classification as a leasehold cooperative may be granted to property when a developer proposes to construct one or more residential

dwelling or buildings using funds provided by the Minnesota housing finance agency if all of the following conditions are met:

(a) The developer must present an affidavit to the county attorney and to the governing body of the municipality that includes a statement of the developer's intention to comply with all requirements in subdivision 6 and a detailed description of the plan for doing so.

(b) The commissioner of the Minnesota housing finance agency must provide the county attorney and governing body with a description of the financing and related terms the commissioner proposes to provide with respect to the project, together with an objective assessment of the likelihood that the project will comply with the requirements of subdivision 6.

(c) The county attorney must review the materials provided under paragraphs (a) and (b), and may require the developer or the Minnesota housing finance agency to provide additional information. If the county attorney determines that it is reasonably likely that the project will meet the requirements of this subdivision, the county attorney shall provide preliminary approval to treatment of the property as a leasehold cooperative.

(d) The governing body shall conduct a public hearing as provided in subdivision 6, paragraph (j), and make its preliminary findings based on the information provided by the developer and the Minnesota housing finance agency.

Upon completion of the project and creation of the leasehold cooperative, actual compliance with the requirements of this subdivision must be demonstrated, and certified by the county attorney. A second hearing by the governing body is not required.

If the county attorney finds that the homestead treatment granted pursuant to a preliminary approval under this subdivision must be revoked because the completed project failed to meet the requirements of this subdivision, the benefits of the treatment shall be recaptured. The county assessor shall determine the amount by which the tax imposed on the property was reduced because it was treated as a leasehold cooperative. The developer shall be charged an amount equal to the tax reduction received or, if the county attorney determines that the failure to meet the requirements was due to the developer's intentional disregard of the requirements, 150 percent of the tax reduction received. The penalty must be paid to the county treasurer within 90 days after receipt of a statement from the treasurer. The proceeds of the penalty shall be distributed to the local taxing jurisdictions in proportion to the amounts of their levies on the property.

Sec. 19. Minnesota Statutes 1992, section 273.124, subdivision 9, is amended to read:

Subd. 9. [HOMESTEAD ESTABLISHED AFTER ASSESSMENT DATE.] Any property that was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead by ~~June~~ December 1 of a year, constitutes class 1 or class 2a.

Any taxpayer meeting the requirements of this subdivision must notify the county assessor, or the assessor who has the powers of the county assessor under section 273.063, in writing, ~~prior to June~~ by December 15 of the year of occupancy in order to qualify under this subdivision. The assessor must not deny full homestead treatment to a property that is partially homesteaded on January 2 but occupied for the purpose of a full homestead by ~~June~~ December 1 of a year.

The county assessor and the county auditor may make the necessary changes on their assessment and tax records to provide for proper homestead classification as provided in this subdivision.

If homestead classification has not been requested as of December 15, the assessor will classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, may be entitled to receive homestead classification by proper application as provided in section 375.192.

The county assessor ~~shall~~ may publish in a newspaper of general circulation within the county ~~no later than June 1 of each year a notice informing~~ requesting the public of the requirement to file an application for homestead prior to June 15 as soon as practicable after acquisition of a homestead, but no later than December 15.

The county assessor shall publish in a newspaper of general circulation within the county no later than December 1 of each year a notice informing the public of the requirement to file an application for homestead by December 15.

Sec. 20. Minnesota Statutes 1992, section 273.124, subdivision 13, is amended to read:

Subd. 13. [HOMESTEAD APPLICATION.] (a) A person who meets the homestead requirements under subdivision 1 must file a homestead application with the county assessor to initially obtain homestead classification.

(b) On or before January 2, 1993, each county assessor shall mail a homestead application to the owner of each parcel of property within the county which was classified as homestead for the 1992 assessment year. The format and contents of a uniform homestead application shall be prescribed by the commissioner of revenue. The commissioner shall consult with the chairs of the house and senate tax committees on the contents of the homestead application form. The application must clearly inform the taxpayer that this application must be signed by all owners of the property and returned to the county assessor in order for the property to continue receiving homestead treatment. The envelope containing the homestead application shall clearly identify its contents and alert the taxpayer of its necessary immediate response.

~~Every four years after the initial homestead application has been filed under this subdivision, a county shall mail a homestead application to the owner of each parcel of property to verify the continued eligibility for homestead status for all properties classified as homestead within the county in the prior year's assessment. The homestead application and procedures shall be done in the same manner as contained in this subdivision for the 1993 homestead application.~~

(c) On the homestead application each owner shall disclose the location of any other residential property in the state in which the owner holds full or partial ownership and for which homestead status has been granted or has been applied for at the time of the application. Each owner must also disclose the name and social security number of any relative occupying a property qualifying as a homestead under subdivision 1, paragraph (c). Failure to disclose the information required under this paragraph may result in the imposition of the penalty provided under this subdivision.

(d) Every property owner applying for homestead classification must furnish to the county assessor the social security number of each person who is listed as an owner of the property listed on the homestead application. If the social security number is not provided, the county assessor shall classify the property as nonhomestead. The social security numbers of the property owners are private data on individuals as defined by section 13.02, subdivision 12, but, notwithstanding that section, the private data may be disclosed to the commissioner of revenue.

(e) If residential real estate is occupied and used for purposes of a homestead by a relative of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in order for the property to receive homestead status, a homestead application must be filed with the assessor. The social security number of each relative occupying the property and the social security number of each owner of the property shall be required on the homestead application filed under this subdivision. If a different relative of the owner subsequently occupies the property, the owner of the property must notify the assessor within 30 days of the change in occupancy.

(f) The homestead application shall also notify the property owners that the application filed under this section will not be mailed annually and that if the initial application is granted or if the property is granted homestead status for the 1993 assessment, that same property shall remain classified as homestead until the property is sold or transferred to another person, or the owners or the relatives no longer use the property as their homestead. Upon the sale or transfer of the homestead property, a certificate of value must be timely filed with the county auditor as provided under section 272.115. Failure to notify the county within 30 days that the property has been sold, transferred, or that the owner or the relative is no longer occupying the property as a homestead, shall result in the penalty provided under this subdivision and the property will lose its current homestead status.

(g) If the ~~initial~~ homestead application is not returned within 30 days, the county will send a second application to the present owners of record. The notice of proposed property taxes prepared under section 275.065, subdivision 3, shall reflect the property's classification. If a homestead application has not been filed with the county by December 15, the assessor shall classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner may be entitled to receive the homestead classification by proper application under section 375.192.

(h) At the request of the commissioner, each county must give the commissioner a list that includes the name and social security number of each property owner applying for homestead classification under this subdivision.

(i) If, in comparing the lists supplied by the counties, the commissioner finds that a property owner is claiming more than one homestead, the commissioner shall notify the appropriate counties. Within 90 days of the notification, the county assessor shall investigate to determine if the homestead classification was properly claimed. If the property owner does not qualify, the county assessor shall notify the county auditor who will determine the amount of homestead benefits that had been improperly allowed. For the purpose of this section, "homestead benefits" means the tax reduction resulting from the classification as a homestead under section 273.13, the taconite homestead credit under section 273.135, and the supplemental homestead credit under section 273.1391.

The county auditor shall send a notice to the owners of the affected property, demanding reimbursement of the homestead benefits plus a penalty equal to 100 percent of the homestead benefits. The property owners may appeal the county's determination by filing a notice of appeal with the Minnesota tax court within 60 days of the date of the notice from the county. If the amount of homestead benefits and penalty is not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount of taxes and penalty to the succeeding year's tax list to be collected as part of the property taxes.

(j) Any amount of homestead benefits recovered by the county from the property owner shall be distributed to the county, city or town, and school district where the property is located in the same proportion that each taxing district's levy was to the total of the three taxing districts' levy for the current year. Any amount recovered attributable to taconite homestead credit shall be transmitted to the St. Louis county auditor to be deposited in the taconite property tax relief account. The total amount of penalty collected must be deposited in the county general fund.

(k) If a property owner has applied for more than one homestead and the county assessors cannot determine which property should be classified as homestead, the county assessors will refer the information to the commissioner. The commissioner shall make the determination and notify the counties within 60 days.

(l) In addition to lists of homestead properties, the commissioner may ask the counties to furnish lists of all properties and the record owners.

Sec. 21. Minnesota Statutes 1992, section 273.124, is amended by adding a subdivision to read:

Subd. 17. [OWNER-OCCUPIED MOTEL PROPERTY.] For purposes of class 1a determinations, a homestead includes that portion of property defined as a motel under chapter 157, provided that the person residing in the motel property is using that property as a homestead, is part owner, and is actively engaged in the operation of the motel business. Homestead treatment applies even if legal title to the property is in the name of a corporation or partnership and not in the name of the person residing in the motel. The homestead is limited to that portion of the motel actually occupied by the person.

A taxpayer meeting the requirements of this subdivision must notify the county assessor, or the assessor who has the powers of the county assessor under section 273.063, in writing, in order to qualify under this subdivision for 1a homestead classification.

Sec. 22. Minnesota Statutes 1992, section 273.124, is amended by adding a subdivision to read:

Subd. 18. [PROPERTY UNDERGOING RENOVATION.] Property that is not occupied as a homestead on the assessment date will be classified as a homestead if it meets each of the following requirements on that date:

(a) The structure is a single family or duplex residence.

(b) The property is owned by a church or an organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986.

(c) The organization is in the process of renovating the property for use as a homestead by an individual or family whose income is no greater than 60 percent of the county or area gross median income, adjusted for family size, and that renovation process and conveyance for use as a homestead can reasonably be expected to be completed within 12 months after construction begins.

The organization must apply to the assessor for classification under this subdivision within 30 days of its acquisition of the property, and must provide the assessor with the information necessary for the assessor to determine whether the property qualifies.

Sec. 23. Minnesota Statutes 1992, section 273.13, subdivision 23, is amended to read:

Subd. 23. [CLASS 2.] (a) Class 2a property is agricultural land including any improvements that is homesteaded. The market value of the house and garage and immediately surrounding one acre of land has the same class rates as class 1a property under subdivision 22. If the market value of the house, garage, and surrounding one acre of land is less than \$115,000, the value of the remaining land including improvements equal to the difference between \$115,000 and the market value of the house, garage, and surrounding one acre of land has a net class rate of .45 percent of market value and a gross class rate of 1.75 percent of market value. The remaining value of class 2a property over \$115,000 of market value that does not exceed 320 acres has a net class rate of 1.3 percent of market value, and a gross class rate of 2.25 percent of market value. The remaining property over the \$115,000 market value in excess of 320 acres has a class rate of 1.6 percent of market value, and a gross class rate of 2.25 percent of market value.

(b) Class 2b property is (1) real estate, rural in character and used exclusively for growing trees for timber, lumber, and wood and wood products; and (2) real estate that is not improved with a structure and is used exclusively for growing trees for timber, lumber, and wood and wood products, if the owner has participated or is participating in a cost-sharing program for afforestation, reforestation, or timber stand improvement on that particular property, administered or coordinated by the commissioner of natural resources; or (3) real estate that is nonhomestead agricultural land. Class 2b property has a net class rate of 1.6 percent of market value, and a gross class rate of 2.25 percent of market value.

(c) Agricultural land as used in this section means contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land, and land included in state or federal farm programs. "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products.

(d) Real estate of less than ten acres used principally for raising or cultivating agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

(e) The term "agricultural products" as used in this subdivision includes:

(1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing animals, horticultural and nursery stock described in sections 18.44 to 18.61, fruit of all kinds, vegetables, forage, grains, bees, and apiary products by the owner;

(2) fish bred for sale and consumption if the fish breeding occurs on land zoned for agricultural use;

(3) the commercial boarding of horses if the boarding is done in conjunction with raising or cultivating agricultural products as defined in clause (1); and

(4) property which is owned and operated by nonprofit organizations used for equestrian activities, excluding racing.

(f) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

(1) wholesale and retail sales;

(2) processing of raw agricultural products or other goods;

(3) warehousing or storage of processed goods; and

(4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3),

the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does not qualify as an agricultural purpose.

The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 24. Minnesota Statutes 1992, section 273.13, subdivision 24, is amended to read:

Subd. 24. [CLASS 3.] (a) Commercial and industrial property and utility real and personal property, except class 5 property as identified in subdivision 31, clause (1), is class 3a. It has a class rate of ~~3.3~~ 3 percent of the first \$100,000 of market value for taxes payable in 1990, ~~3.2~~ 3.2 percent for taxes payable in 1991, ~~3.1~~ 3.1 percent for taxes payable in 1992, and ~~three percent~~ 3 percent for taxes payable in 1993 and thereafter, and 5.06 percent of the market value over \$100,000. In the case of state-assessed commercial, industrial, and utility property owned by one person or entity, only one parcel has a reduced class rate on the first \$100,000 of market value. In the case of other commercial, industrial, and utility property owned by one person or entity, only one parcel in each county has a reduced class rate on the first \$100,000 of market value, except that:

(1) if the market value of the parcel is less than \$100,000, and additional parcels are owned by the same person or entity in the same city or town within that county, the reduced class rate shall be applied up to a combined total market value of \$100,000 for all parcels owned by the same person or entity in the same city or town within the county; and

(2) in the case of grain, fertilizer, and feed elevator facilities, as defined in section 18C.305, subdivision 1, or 232.21, subdivision 8, the limitation to one parcel per owner per county for the reduced class rate shall not apply, but there shall be a limit of \$100,000 of preferential value per site of contiguous parcels owned by the same person or entity. Only the value of the elevator portion of each parcel shall qualify for treatment under this clause. For purposes of this subdivision, contiguous parcels include parcels separated only by a railroad or public road right-of-way.

To receive the reduced class rate on additional parcels under clauses (1) and (2), the taxpayer must notify the county assessor that the taxpayer owns more than one parcel that qualifies under clause (1) or (2).

(b) Employment property defined in section 469.166, during the period provided in section 469.170, shall constitute class 3b and has a class rate of 2.3 percent of the first \$50,000 of market value and 3.6 percent of the remainder, except that for employment property located in a border city enterprise zone designated pursuant to section 469.168, subdivision 4, paragraph (c), the class rate of the first \$100,000 of market value and the class rate of the remainder is determined under paragraph (a), unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 469.171, subdivision 1.

Sec. 25. Minnesota Statutes 1992, section 273.13, subdivision 25, is amended to read:

Subd. 25. [CLASS 4.] (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.5 percent of market value for taxes payable in 1992, and 3.4 percent of market value for taxes payable in 1993 and thereafter.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 2.8 percent of market value for taxes payable in 1992, 2.5 percent of market value for taxes payable in 1993, and 2.3 percent of market value for taxes payable in 1994 and thereafter.

(c) Class 4c property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low- and moderate-income families as defined in Title II, as amended through December 31, 1990, of the National Housing Act or the Minnesota housing finance agency law of 1971, as amended, or rules promulgated by the agency and financed by a direct federal loan or federally insured loan made pursuant to Title II of the Act; or

(ii) situated on real property that is used for housing the elderly or for low- and moderate-income families as defined by the Minnesota housing finance agency law of 1971, as amended, or rules adopted by the agency pursuant thereto and financed by a loan made by the Minnesota housing finance agency pursuant to the provisions of the act.

This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan.

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building as defined in section 42(c)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1990, that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990; or (ii) meets the requirements of that section and receives public financing, except financing provided under sections 469.174 to 469.179, which contains terms restricting the rents; or (iii) meets the requirements of section 273.1317. Classification pursuant to this clause is limited to a term of 15 years.

For all properties described in clauses (1), (2), and (3) and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents unless the owner of the property elects to have the property assessed under Laws 1991, chapter 291, article 1, section 55. If the owner of the property elects to have the market value determined on the basis of the actual restricted rents, as provided in Laws 1991, chapter 291, article 1, section 55, the property will be assessed at the rate provided for class 4a or class 4b property, as appropriate. Properties described in clauses (1)(ii), (3), and (4) may apply to the assessor for valuation under Laws 1991, chapter 291, article 1, section 55. The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units. This clause applies only to the property of a nonprofit or limited dividend entity.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics:

(a) it is a nonprofit corporation organized under chapter 317A;

(b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws;

(c) it limits membership with voting rights to residents of the designated community; and

(d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts. Owners of real property devoted to temporary and seasonal residential occupancy for recreation purposes and all or a portion of which was devoted to commercial purposes for not more than 250 days in the year preceding the year of assessment desiring classification as class 1c or 4c, must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located will be designated class 1c or 4c as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The first \$100,000 of the market value of the remainder of the cabins or units and a proportionate share of the land on which they are located shall have a class rate of three percent. The owner of property desiring designation as class 1c or 4c property must provide guest registers or other records demonstrating that the units for which class 1c or 4c designation is sought were not occupied for more than 250 days in the second year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, and (4) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes shall not qualify for class 1c or 4c;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For purposes of this clause, a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1990. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that (i) each parcel of seasonal residential recreational property not used for commercial purposes under clause (5) has a class rate of 2.2 percent of market value for taxes payable in 1992, and for taxes payable in 1993 and thereafter, the first \$72,000 of market value on each parcel has a class rate of two percent and the market value of each parcel that exceeds \$72,000 has a class rate of 2.5 percent, and (ii) manufactured home parks assessed under clause (8) have a class rate of two percent for taxes payable in 1993, 1994, and 1995 only.

(d) Class 4d property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. For property for which application is made for 4c or 4d classification for taxes payable in 1994 and thereafter, and which was not classified 4c or 4d for taxes payable in 1993 those properties, 4c or 4d classification is available only for those units meeting the requirements of section 273.1318.

Classification under this clause is only available to property of a nonprofit or limited dividend entity.

In the case of a structure financed or refinanced under any federal or state mortgage insurance or direct loan program exclusively for housing for the elderly or for housing for the handicapped, a unit shall be considered occupied so long as it is actually occupied by an elderly or handicapped person or, if vacant, is held for rental to an elderly or handicapped person.

(2) For taxes payable in 1992, 1993 and 1994, only, buildings and appurtenances, together with the land upon which they are located, leased by the occupant under the community lending model lease-purchase mortgage loan program administered by the Federal National Mortgage Association, provided the occupant's income is no greater than 60 percent of the county or area median income, adjusted for family size and the building consists of existing single family or duplex housing. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. The application must be accompanied by an affidavit or other proof required by the assessor to determine qualification under this clause.

(3) Qualifying buildings and appurtenances, together with the land upon which they are located, leased for a period of up to five years by the occupant under a lease-purchase program administered by the Minnesota housing finance agency or a housing and redevelopment authority authorized under sections 469.001 to 469.047, provided the occupant's income is no greater than 80 percent of the county or area median income, adjusted for family size, and the building consists of two or less dwelling units. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. The administering agency shall verify the occupants income eligibility and certify to the county assessor that the occupant meets the income criteria under this paragraph. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. For purposes of this section, "qualifying buildings and appurtenances" shall be defined as one or two unit residential buildings which are unoccupied and have been abandoned and boarded for at least six months.

Class 4d property has a class rate of two percent of market value except that property classified under clause (3), shall have the same class rate as class 1a property.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (3); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316.

Sec. 26. Minnesota Statutes 1992, section 273.13, subdivision 33, is amended to read:

Subd. 33. [CLASSIFICATION OF UNIMPROVED PROPERTY.] (a) ~~Except as provided in paragraph~~ All real property that is not improved with a structure must be classified according to its current use.

(b); Real property that is not improved with a structure and for which there is no identifiable current use must be classified according to its highest and best use permitted under the local zoning ordinance. If the ordinance permits

more than one use, the land must be classified according to the highest and best use permitted under the ordinance. If no such ordinance exists, the assessor shall consider the most likely potential use of the unimproved land based upon the use made of surrounding land or land in proximity to the unimproved land.

~~(b) Real property that is not improved with a structure and is in commercial, industrial, or agricultural use under this section must be classified according to its actual use.~~

Sec. 27. Minnesota Statutes 1992, section 273.1318, subdivision 1, is amended to read:

Subdivision 1. [INCOME LIMITATION.] (a) Subject to the exception in paragraph (b), for a building for which application is made for class 4c for taxes payable in 1994 and thereafter, and which was not class 4c for taxes payable in 1993, only those units occupied by a household whose income is 100 percent or less of the county or area median income adjusted for family size as determined by the department of housing and urban development are eligible for class 4c.

(b) For a building for which application is made for class 4c for taxes payable in 1994 and thereafter, ~~and which was not class 4c for taxes payable in 1993, but~~ for which a formal application was received by a local, state, or federal agency for financing, refinancing, or insurance before July 1, 1992, and for a building that was classified as class 4c for taxes payable in 1993 or an earlier year, the income limit is 100 percent or less of county or area median income not adjusted for family size as determined by the department of housing and urban development.

Sec. 28. Minnesota Statutes 1992, section 273.135, subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 66 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to ~~the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate~~. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(b) In the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 57 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to ~~the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate~~. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(c) The maximum reduction of the tax is \$225.40 on property described in clause (a) and \$200.10 on property described in clause (b), for taxes payable in 1985. These maximum amounts shall increase by \$15 times the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1986 and subsequent years.

For the purposes of this subdivision, "homestead credit equivalency percentage" means one minus the ratio of the net class rate to the gross class rate applicable to the first \$72,000 of the market value of residential homesteads, "effective tax rate" means tax divided by the market value of a property, and the "base year effective tax rate" means the payable 1988 tax on a property with an identical market value to that of the property receiving the credit in the current year after the application of the credits payable under Minnesota Statutes 1988, section 273.13, subdivisions 22 and 23, and this section, divided by the market value of the property.

Sec. 29. Minnesota Statutes 1992, section 273.33, subdivision 2, is amended to read:

Subd. 2. The personal property, consisting of the pipeline system of mains, pipes, and equipment attached thereto, of pipeline companies and others engaged in the operations or business of transporting natural gas, gasoline, crude oil, or other petroleum products by pipelines, shall be listed with and assessed by the commissioner of revenue. This subdivision shall not apply to the assessment of the products transported through the pipelines nor to the lines of local commercial gas companies engaged primarily in the business of distributing gas to consumers at retail nor to pipelines used by the owner thereof to supply natural gas or other petroleum products exclusively for such owner's own consumption and not for resale to others. If more than 85 percent of the natural gas or other petroleum products actually transported over the pipeline is used for the owner's own consumption and not for resale to others, then this subdivision shall not apply; provided, however, that in that event, the pipeline shall be assessed in proportion to the

percentage of gas actually transported over such pipeline that is not used for the owner's own consumption. On or before June 30, the commissioner shall certify to the auditor of each county, the amount of such personal property assessment against each company in each district in which such property is located.

Sec. 30. Minnesota Statutes 1992, section 276.04, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF TAX STATEMENTS.] (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The statement must contain a tabulated statement of the dollar amount due to each taxing authority from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the county, township or municipality and school district must be separately stated. The amounts due other taxing districts, if any, may be aggregated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The statement shall include the following sentence, printed in upper case letters in boldface print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT."

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

- (1) the property's estimated market value as defined in under section 272.03, subdivision 8 273.11, subdivision 1;
- (2) the property's taxable market value after reductions under sections 273.11, subdivisions 1a and 16;
- (3) the property's gross tax, calculated by multiplying the property's gross tax capacity times the total local tax rate and adding to the result the sum of the aids enumerated in clause (3);
- (3) (4) a total of the following aids:
  - (i) education aids payable under chapters 124 and 124A;
  - (ii) local government aids for cities, towns, and counties under chapter 477A; and
  - (iii) disparity reduction aid under section 273.1398;
- (4) (5) for homestead residential and agricultural properties, the homestead and agricultural credit aid apportioned to the property. This amount is obtained by multiplying the total local tax rate by the difference between the property's gross and net tax capacities under section 273.13. This amount must be separately stated and identified as "homestead and agricultural credit." For purposes of comparison with the previous year's amount for the statement for taxes payable in 1990, the statement must show the homestead credit for taxes payable in 1989 under section 273.13, and the agricultural credit under section 273.132 for taxes payable in 1989;
- (5) (6) any credits received under sections 273.119; 273.123; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief";
- (6) (7) the net tax payable in the manner required in paragraph (a); and
- (7) (8) any additional amount of tax authorized under sections 124A.03, subdivision 2a, and 275.61. These amounts shall be listed as "voter approved referenda levies."

The commissioner of revenue shall certify to the county auditor the actual or estimated aids enumerated in clauses (3) and (4) that local governments will receive in the following year. In the case of a county containing a city of the first class, for taxes levied in 1991, and for all counties for taxes levied in 1992 and thereafter, the commissioner must certify this amount by September 1.

Sec. 31. Minnesota Statutes 1992, section 375.192, subdivision 2, is amended to read:

Subd. 2. Upon written application by the owner of any property, the county board may grant the reduction or abatement of estimated market valuation or taxes and of any costs, penalties, or interest on them as the board deems just and equitable and order the refund in whole or part of any taxes, costs, penalties, or interest which have been erroneously or unjustly paid. The county board is authorized to consider and grant reductions or abatements on applications only as they relate to taxes payable in the current year and the two prior years; provided that reductions or abatements for the two prior years shall be considered or granted only for (i) clerical errors, or (ii) when the taxpayer fails to file for a reduction or an adjustment due to hardship, as determined by the county board. The application must include the social security number of the applicant. The social security number is private data on individuals as defined by section 13.02, subdivision 12. All applications must be approved by the county assessor, or, if the property is located in a city of the first or second class having a city assessor, by the city assessor, and by the county auditor before consideration by the county board, except that the part of the application which is for the abatement of penalty or interest must be approved by the county treasurer and county auditor. Approval by the county or city assessor is not required for abatements of penalty or interest. No reduction, abatement, or refund of any special assessments made or levied by any municipality for local improvements shall be made unless it is also approved by the board of review or similar taxing authority of the municipality. Before taking action on any reduction or abatement where the reduction of taxes, costs, penalties, and interest exceed \$10,000, the county board shall give 20 days' notice to the school board and the municipality in which the property is located. The notice must describe the property involved, the actual amount of the reduction being sought, and the reason for the reduction. If the school board or the municipality object to the granting of the reduction or abatement, the county board must refer the abatement or reduction to the commissioner of revenue with its recommendation. The commissioner shall consider the abatement or reduction under section 270.07, subdivision 1.

An appeal may not be taken to the tax court from any order of the county board made in the exercise of the discretionary authority granted in this section.

The county auditor shall notify the commissioner of revenue of all abatements resulting from the erroneous classification of real property, for tax purposes, as nonhomestead property. For the abatements relating to the current year's tax processed through June 30, the auditor shall notify the commissioner on or before July 31 of that same year of all abatement applications granted. For the abatements relating to the current year's tax processed after June 30 through the balance of the year, the auditor shall notify the commissioner on or before the following January 31 of all applications granted. The county auditor shall submit a form containing the social security number of the applicant and such other information the commissioner prescribes.

Sec. 32. [PENDING APPLICATIONS.]

(a) For applications under Minnesota Statutes, section 375.192, subdivision 2, pending prior to the effective date of this act, the county board's current policy is ratified by this act.

(b) If an applicant has filed a judicial action before January 1, 1993, for a reduction or abatement requiring the county to consider the application, paragraph (a) does not apply; provided, however, that no reduction or abatement may be considered by the county board for more than three years.

Sec. 33. Minnesota Statutes 1992, section 429.061, is amended by adding a subdivision to read:

Subd. 5. [SPECIAL ASSESSMENTS; ADMINISTRATIVE EXPENSES.] Notwithstanding any general or special law to the contrary, a municipality shall pay to the county auditor all administrative expenses incurred by the county under subdivision 3 for each special assessment of any local improvement certified by the municipality to the county auditor.

Sec. 34. Minnesota Statutes 1992, section 469.040, subdivision 3, is amended to read:

Subd. 3. [STATEMENT FILED WITH ASSESSOR; PERCENTAGE TAX ON RENTALS.] Notwithstanding the provisions of subdivision 1, after a housing project carried on under sections 469.016 to 469.026 has become occupied, in whole or in part, an authority shall file with the assessor, on or before ~~May 1~~ April 15 of each year, a statement of the aggregate shelter rentals of that project collected during the preceding calendar year. Unless a greater amount has been agreed upon between the authority and the governing body or bodies for which the authority was created, in whose jurisdiction the project is located, five percent of the aggregate shelter rentals shall be charged to the authority as a service charge for the services and facilities to be furnished with respect to that project. The service

charge shall be collected from the authority in the manner provided by law for the assessment and collection of taxes. The amount so collected shall be distributed to the several taxing bodies in the same proportion as the tax rate of each bears to the total tax rate of those taxing bodies. The governing body or bodies for which the authority has been created, in whose jurisdiction the project is located, may agree with the authority for the payment of a service charge for a housing project in an amount greater than five percent of the aggregate annual shelter rentals of any project, upon the basis of shelter rentals or upon another basis agreed upon. The service charge may not exceed the amount which would be payable in taxes were the property not exempt. If such an agreement is made, the service charge so agreed upon shall be collected and distributed in the manner above provided. If the project has become occupied, or if the land upon which the project is to be constructed has been acquired, the agreement shall specify the location of the project for which the agreement is made. "Shelter rental" means the total rentals of a housing project exclusive of any charge for utilities and special services such as heat, water, electricity, gas, sewage disposal, or garbage removal. "Service charge" means payment in lieu of taxes. The records of each housing project shall be open to inspection by the proper assessing officer.

Sec. 35. Laws 1985, chapter 302, section 1, subdivision 3, is amended to read:

Subd. 3. [SPECIAL SERVICES.] "Special services" means all services rendered or contracted for by the city for ~~snow, ice, and litter removal and cleaning of sidewalks, curbs, gutters, and streets and for banners and other decorations to be used to identify and promote the commercial area:~~

- (1) snow, ice removal, and sanding of public areas;
- (2) cleaning of streets, curbs, gutters, sidewalks, and alleys;
- (3) watering, fertilizing, maintenance, and replacement of trees and bushes on public right-of-way;
- (4) poster and handbill removal;
- (5) cleaning and scrubbing of sidewalks;
- (6) provision, installation, maintenance, removal, and replacement of banners and decorative items for promotion of commercial area;
- (7) repair and maintenance of sidewalks;
- (8) installation and maintenance of areawide security systems;
- (9) provision and coordination of security personnel to supplement regular city personnel;
- (10) maintenance, repair, and cleaning of commercial area directories, kiosks, benches, bus shelters, newspaper stands, trash receptacles, information booths, bicycle racks and bicycle storage containers, sculptures, murals, and other public area art pieces;
- (11) installation, maintenance, and removal of lighting on commercial area trees;
- (12) cost of electrical service for pedestrian and tree lighting;
- (13) repair of low-level pedestrian lights and poles;
- (14) provision of comprehensive liability insurance for public space improvements;
- (15) trash removal and recycling costs; and
- (16) provision, maintenance, and replacement of special signage relating to vehicle and bicycle parking, vehicle and pedestrian movement, and special events.

Special services do not include services that are ordinarily provided throughout the city from ordinary revenues of the city unless an increased level of service is provided in the special service district.

Sec. 36. Laws 1985, chapter 302, section 2, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCE.] The governing body of the city may adopt ~~an ordinance~~ ordinances:

(a) establishing a special service district in the part of Minneapolis which is south of 28th Street, west of Fremont Dupont Avenue South, north of 31st Street, and east of Humboldt Avenue South East Calhoun Parkway and East Lake of the Isles Parkway; and

(b) establishing a special service district south of Sixth Street southeast, west of Sixteenth Avenue Southeast, north of a line parallel to and 200 feet south of University Avenue and east of Twelfth Avenue Southeast.

Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a special service district. The ordinance shall describe with particularity the areas to be included in the district and the special services to be furnished. The ordinance may not be adopted until after a public hearing on the question. Notice of the hearing shall include:

- (1) the time and place of the hearing;
- (2) a map showing the boundaries of the proposed district; and
- (3) a statement that all persons owning property in the proposed district will be given an opportunity to be heard at the hearing.

Sec. 37. Laws 1985, chapter 302, section 4, is amended to read:

Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

The boundary of a special service district may be enlarged, ~~to an area not to exceed one square mile,~~ within the part of Minneapolis described in section 2 only after hearing and notice as provided in section 2. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district.

Sec. 38. [LOCAL APPROVAL.]

Sections 35 to 37 take effect the day after the governing body of the city of Minneapolis complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 39. [FLOODWOOD AREA AMBULANCE DISTRICT.]

Subdivision 1. [AGREEMENT.] The city of Floodwood and one or more of the towns of Floodwood, Van Buren, Halden, Cedar Valley, Ness, Arrowhead, Fine Lakes, and Prairie Lake, may by resolution of their city council and town boards establish the Floodwood area ambulance district. The town of Ness may provide that only a described part of its territory be included within the district. The St. Louis county board may by resolution provide that property located in unorganized territory 52-21 may be included within the district. The district shall make payments of the proceeds of the tax authorized in this section to the city of Floodwood, which shall provide ambulance services throughout the territory of the district and may exercise all the powers of the city and towns that relate to ambulance service anywhere within its territory. Any other contiguous town or home rule charter or statutory city may join the district with the agreement of the cities and towns that comprise the district at the time of its application to join. Action to join the district may be taken by the city council or town board of the city or town.

Subd. 2. [BOARD.] The district shall be governed by a board composed of one member appointed by the city council or town board of each city and town in the district. A district board member may, but is not required to, be a member of a city council or town board. Except as provided in this section, members shall serve two-year terms ending the first Monday in January and until their successors are appointed and qualified. Of the members first appointed, as far as possible, the terms of one-half shall expire on the first Monday in January in the first year following their appointment and one-half the first Monday in January in the second year. The terms of those initially appointed shall be determined by lot. If an additional member is added because an additional city or town joins the district, the member's term shall be fixed so that, as far as possible, the terms of one-half of all the members expire on the same date.

Subd. 3. [TAX.] The district may impose a property tax on real and personal property in the district in an amount sufficient to discharge its operating expenses and debt payable in each year, but not to exceed \$25,000 each year. The St. Louis county auditor and treasurer shall collect the tax and pay it to the Floodwood area ambulance district.

Subd. 4. [PUBLIC INDEBTEDNESS.] The district may incur debt in the manner provided for a municipality by Minnesota Statutes, chapter 475, when necessary to accomplish a duty charged to it.

Subd. 5. [WITHDRAWAL.] Upon two years' notice, a city or town may withdraw from the district. Its territory shall remain subject to taxation for debt incurred prior to its withdrawal pursuant to Minnesota Statutes, chapter 475.

Subd. 6. [EFFECTIVE DATE.] This section is effective in the city of Floodwood, and the towns of Floodwood, Van Buren, Halden, Cedar Valley, Ness, Arrowhead, Fine Lakes, and Prairie Lake the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of each. This section is effective for unorganized territory 52-21 the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the St. Louis county board.

Sec. 40. [CITY OF DULUTH; SPECIAL SERVICE DISTRICT.]

Subdivision 1. [DEFINITIONS.] For the purpose of this section, the terms defined in this subdivision have the following meanings:

(1) "City" means the city of Duluth.

(2) "Special services" means all services rendered or contracted for by the city, including but not limited to:

(i) the construction, repair, maintenance, and operation of any improvements authorized by Minnesota Statutes, sections 429.021 and 469.126;

(ii) the acquisition of property within a special service district, including through the use of the power of eminent domain;

(iii) the sale or lease of property in the special service district at or below "market rate" for the promotion of development within the district;

(iv) parking services rendered or contracted for by the city;

(v) promotional services provided or contracted for by the city; and

(vi) any other service provided to the public by the city as authorized by law or charter.

(3) "Special service district" means a defined area within the city in which special services are rendered and the costs of special services are paid from revenues collected from service charges imposed within the area as provided in this section.

Subd. 2. [RELATION TO MINNESOTA STATUTES, CHAPTER 428A.] The creation of a special service district under this section must be in accordance with the provisions of Minnesota Statutes, chapter 428A.

Subd. 3. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT; AREA.] The governing body of the city may establish a special service district in the city. The district shall be bounded on the northwest by Interstate Highway 35, on the northeast by the centerline of Sixth Avenue West and as the same is extended to the United States Harbor Line in St. Louis Bay, on the southeast by said Harbor Line and on the southwest by the centerline of Ninth Avenue West and as the same is extended to said Harbor Line.

Subd. 4. [SERVICE CHARGES; DETERMINATION OF AMOUNT.] Service charges based on the net tax capacity of the property within the district shall be distributed in a manner determined by the city council to be a fair, equitable, and reasonable method of determination, taking into account the character and impact of the services to be provided on each parcel in the district; provided, it shall not be necessary to establish a relationship between any special service charges on a parcel of property and the value of special benefits conferred upon that property.

Subd. 5. [DELEGATION TO ECONOMIC DEVELOPMENT AUTHORITY.] After the creation of a special service district, the city council may, by resolution, delegate the operation of the district to an economic development authority created pursuant to Minnesota Statutes, sections 469.090 to 469.108.

Sec. 41. [PROPERTY ACQUIRED FROM ELECTRIC COOPERATIVE.]

Subdivision 1. [PROPERTY EXEMPTION.] Property owned by a cooperative association, as defined in Minnesota Statutes, section 273.40, that is purchased by a public utility, as defined in Minnesota Statutes, section 216B.02, remains exempt from property taxes, if the property:

(1) was exempt under Minnesota Statutes, section 272.02, subdivision 1, clause (18), or section 273.41 when it was owned by the cooperative association; and

(2) is located in St. Louis, Koochiching, Itasca, and Lake counties.

This exemption applies for three assessment years from the date of purchase. The tax under Minnesota Statutes, section 273.41, continues to apply during the three-year exemption period. The rates charged by the public utility must reflect the property tax exemption provided under this section.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective in St. Louis, Koochiching, Itasca, and Lake counties the day after the governing body of the county complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 42. [REPORT TO LEGISLATURE.]

By February 1 of each year, the commissioner of revenue shall make a report to the legislature on the use of limited market value under section 273.13, subdivision 1a, and the valuation exclusion under section 273.13, subdivision 16. For the limited market value provision, the report shall include the total value excluded from taxation by type of property for each city and town. For the valuation exclusion provision, the report shall include the total market value excluded from taxation for each city and town, as well as a breakdown of the excluded improvement amounts by age and value of the property being improved and the amount of the qualifying improvement. The county assessors shall provide the information necessary for the commissioner to compile the report in a manner prescribed by the commissioner.

Sec. 43. [REPEALER.]

(a) Minnesota Statutes 1992, section 272.115, subdivision 1a, is repealed.

(b) Minnesota Statutes 1992, section 273.124, subdivision 16, is repealed.

(c) Minnesota Statutes 1992, section 383C.78, is repealed.

Sec. 44. [EFFECTIVE DATE.]

Section 1 is effective April 1, 1994.

Sections 2, 3, clause (26), and 43, paragraph (b), are effective for taxes levied in 1993, payable in 1994, and thereafter.

Section 3, clause (25), is effective for taxes levied in 1991, payable in 1992, and thereafter. Upon application to and approval by the county auditor, the county treasurer shall refund to the taxpayer any taxes paid for 1992 that are exempt under section 3, clause (25). The refund shall be paid without interest. Each taxing jurisdiction must reimburse the county for the refund in the same proportion as the taxing jurisdiction's levy bears to the total levies of all jurisdictions for taxes payable in 1992. The amount of the reimbursement may be deducted in the next distribution of tax proceeds to the taxing jurisdiction.

Sections 4 to 7, 17, and 43, paragraph (a), are effective the day following final enactment, except that section 17, paragraphs (c) and (d) are effective for taxes payable in 1994 and thereafter.

Sections 8 to 10, 12, 19, 21 to 27, and 30 are effective for 1993 assessments for taxes payable in 1994 and subsequent years, except if provided otherwise.

Section 11, clauses (1) and (2), are effective for the 1992 assessment, taxes payable in 1993 and thereafter. Section 11, clause (3), is effective for the 1993 assessment, taxes payable in 1994 and thereafter.

Section 13 is effective for qualifying improvements made after January 2, 1993.

Sections 14 and 15 are effective for the 1994 assessment, payable in 1995, and thereafter. Notwithstanding Minnesota Statutes, section 273.112, subdivision 6, in order to qualify for valuation under Minnesota Statutes, section 273.112, for the 1994 assessment, the taxpayer of the property devoted to golf and operated by private clubs, that does not meet the requirement of Minnesota Statutes, section 273.112, subdivision 3, for the 1993 assessment year, must submit an affidavit or other written verification to the assessor showing that the bylaws in rules and regulations of the private club meet the eligibility requirements of Minnesota Statutes, section 273.112, by January 1, 1994.

Sections 16 and 18 are effective for assessment year 1994 and subsequent years.

Section 20 is effective for taxes payable in 1995 and thereafter.

Section 28 is effective for taxes payable in 1994 and thereafter.

Section 29 is effective for the 1991 assessment and thereafter, for taxes payable in 1992 and thereafter. For taxes payable in 1992 and 1993, any amounts paid by the property owner in excess of the amounts required by section 29 shall be paid by the county treasurer to the property owner under the abatement procedures.

Section 31 is effective for applications for reductions or abatements filed after the day of final enactment.

Section 33 is effective for assessments certified after July 1, 1993.

Section 40 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Duluth.

Section 43, clause (c) is repealed effective January 2, 1993, provided that any improvements made prior to January 2, 1993, shall continue to qualify for the delayed assessment provisions under section 383C.78 for the duration of the period provided in that section.

### ARTICLE 3

#### PROPERTY TAX REFUND

Section 1. Minnesota Statutes 1992, section 290A.03, subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) all nontaxable income;

(ii) the amount of a passive activity loss that is not disallowed as a result of section 469, paragraph (i) or (m) of the Internal Revenue Code and the amount of passive activity loss carryover allowed under section 469(b) of the Internal Revenue Code;

(iii) an amount equal to the total of any discharge of qualified farm indebtedness of a solvent individual excluded from gross income under section 108(g) of the Internal Revenue Code;

(iv) cash public assistance and relief;

(v) any pension or annuity (including railroad retirement benefits, all payments received under the federal Social Security Act, supplemental security income, and veterans benefits), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

- (vi) interest received from the federal or a state government or any instrumentality or political subdivision thereof;
- (vii) workers' compensation;
- (viii) nontaxable strike benefits;
- (ix) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise;
- (x) a lump sum distribution under section 402(e)(3) of the Internal Revenue Code;
- (xi) contributions made by the claimant to an individual retirement account, including a qualified voluntary employee contribution; simplified employee pension plan; self-employed retirement plan; cash or deferred arrangement plan under section 401(k) of the Internal Revenue Code; or deferred compensation plan under section 457 of the Internal Revenue Code; and
- (xii) nontaxable scholarship or fellowship grants.

In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. Federal adjusted gross income shall not be reduced by the amount of a net operating loss carryback or carryforward or a capital loss carryback or carryforward allowed for the year.

- (2) "Income" does not include
  - (a) amounts excluded pursuant to the Internal Revenue Code, sections 101(a), 102, and 121;
  - (b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;
  - (c) surplus food or other relief in kind supplied by a governmental agency;
  - (d) relief granted under this chapter; or
  - (e) child support payments received under a temporary or final decree of dissolution or legal separation.
- (3) The sum of the following amounts may be subtracted from income:
  - (a) for the claimant's first dependent, the exemption amount multiplied by 1.4;
  - (b) for the claimant's second dependent, the exemption amount multiplied by 1.3;
  - (c) for the claimant's third dependent, the exemption amount multiplied by 1.2;
  - (d) for the claimant's fourth dependent, the exemption amount multiplied by 1.1;
  - (e) for the claimant's fifth dependent, the exemption amount; and
  - (f) if the claimant or claimant's spouse was disabled or attained the age of 65 ~~prior to June 1~~ on or before December 31 of the year for which the taxes were levied or rent paid, the exemption amount.

For purposes of this subdivision, the "exemption amount" means the exemption amount under section 151(d) of the Internal Revenue Code of 1986, as amended through December 31, 1991, for the taxable year for which the income is reported.

Sec. 2. Minnesota Statutes 1992, section 290A.03, subdivision 7, is amended to read:

Subd. 7. [DEPENDENT.] "Dependent" means any person who is considered a dependent under sections 151 and 152 of the Internal Revenue Code of 1986, as amended through December 31, 1991. In the case of a son, stepson, daughter, or stepdaughter of the claimant, amounts received as an aid to families with dependent children grant or,

allowance to or on behalf of the child, surplus food, or other relief in kind supplied by a governmental agency must not be taken into account in determining whether the child received more than half of the child's support from the claimant.

Sec. 3. Minnesota Statutes 1992, section 290A.03, subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] (a) "Claimant" means a person, other than a dependent, as defined under sections 151 and 152 of the Internal Revenue Code of 1986, as amended through December 31, 1992, disregarding section 152(b)(3) of the Internal Revenue Code, who filed a claim authorized by this chapter and who was a resident of this state as provided in chapter 290 during the calendar year for which the claim for relief was filed.

(b) In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim.

(c) "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long-term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under title XVI of the Social Security Act, the Minnesota supplemental aid program under sections 256D.35 to 256D.54, the medical assistance program pursuant to title XIX of the Social Security Act, or the general assistance medical care program pursuant to section 256D.03, subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3, paragraphs (1) and (2), reduced by the total amount of income from the above sources other than vendor payments under the medical assistance program or the general assistance medical care program and the denominator of which is income as defined in subdivision 3, paragraphs (1) and (2), plus vendor payments under the medical assistance program or the general assistance medical care program, to determine the allowable refund pursuant to this chapter.

(d) Notwithstanding paragraph (c), if the claimant was a resident of the nursing home, intermediate care facility or long-term residential facility for only a portion of the calendar year covered by the claim, the claimant may compute rent constituting property taxes by disregarding the rent constituting property taxes from the nursing home, intermediate care facility, or long-term residential facility and use only that amount of rent constituting property taxes or property taxes payable relating to that portion of the year when the claimant was not in the facility. The claimant's household income is the income for the entire calendar year covered by the claim.

(e) In the case of a claim for rent constituting property taxes of a part-year Minnesota resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue whose decision shall be final. If a homestead property owner was a part-year Minnesota resident, the income reflected in the computation made pursuant to section 290A.04 shall be for the entire calendar year, including income not assignable to Minnesota.

(f) If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be each renter's household income for purposes of computing the amount of credit to be allowed.

Sec. 4. Minnesota Statutes 1992, section 290A.04, subdivision 2h, is amended to read:

Subd. 2h. (a) If the gross property taxes payable on a homestead increase more than 12 percent over the net property taxes payable in the prior year on the same property that is owned by the same owner in both years, and the amount of that increase is \$80 or more for taxes payable in 1993, and \$100 or more for taxes payable in 1994, 1995, and 1996, a claimant who is a homeowner shall be allowed an additional refund equal to 75 percent of the amount of the increase over the greater of 12 percent of the prior year's net property taxes payable or \$80 for taxes payable in 1993, and 75 percent of the amount of the increase over the greater of 12 percent of the prior year's net property taxes payable or \$100 for taxes payable in 1994, 1995, and 1996. This subdivision shall not apply to any increase in the gross property taxes payable attributable to improvements made to the homestead after the assessment date for the prior year's taxes.

In the case of refunds for property taxes payable in 1993 and thereafter, The maximum refund allowed under this subdivision is \$1,500.

(b) For purposes of this subdivision, the following terms have the meanings given:

(1) "Net property taxes payable" means property taxes payable after reductions made under sections 273.13, subdivisions 22 and 23; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivision 2 and this subdivision.

(2) "Gross property taxes" means net property taxes payable determined without regard to the refund allowed under this subdivision.

(c) In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

On or before December 1, 1993, 1994, and 1995, the commissioner shall estimate the cost of making the payments provided by this subdivision for taxes payable in the following year. Notwithstanding the open appropriation provision of section 290A.23, if the estimated total refund claims for taxes payable in 1994, 1995, and 1996 exceed \$5,500,000, for each of the three years the commissioner shall increase the \$100 amount of tax increase which must occur before a taxpayer qualifies for a refund, and increase by an equal amount the \$100 threshold used in determining the amount of the refund, so that the estimated total refund claims do not exceed \$5,500,000 for taxes payable in 1994, for taxes payable in 1995, or for taxes payable in 1996.

The determinations of the revised thresholds by the commissioner are not rules subject to chapter 14.

Sec. 5. Minnesota Statutes 1992, section 290A.04, is amended by adding a subdivision to read:

Subd. 6. [INFLATION ADJUSTMENT.] Beginning for property tax refunds payable in calendar year 1995, the commissioner shall annually adjust the dollar amounts of the income thresholds and the maximum refund amounts under subdivisions 2 and 2a for inflation. The commissioner shall make the inflation adjustments using the same percentage determined under section 290.06, subdivision 2d, for taxable years beginning during the calendar year. The commissioner shall round the thresholds and maximum refund amounts, as adjusted, to the nearest \$10 amount. If the amount ends in \$5, the commissioner shall round it up to the next \$10 amount.

The commissioner shall annually announce the adjusted refund schedule at the same time provided under section 290.06. The determination of the commissioner under this subdivision is not a rule under the administrative procedure act.

Sec. 6. Minnesota Statutes 1992, section 290A.23, is amended to read:

290A.23 [APPROPRIATION.]

Subdivision 1. [RENTERS CREDIT AND TARGETING.] For payments made before July 1, 1996, there is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make the payments required under section 290A.04, subdivisions 2a and 2h. For payments made after June 30, 1996, the amount necessary to make the payments required under section 290A.04, subdivision 2a, are appropriated to the commissioner of revenue from the local government trust fund.

Subd. 2. [HOMEOWNERS PROPERTY TAX REFUND AND TARGETING.] There is appropriated from the local government trust fund to the commissioner of revenue the amount necessary to make the payments required under section 290A.04, ~~subdivision~~ subdivisions 2 and 2h.

Sec. 7. [INCREASE IN PROPERTY TAX REFUNDS FOR RENTERS.]

(a) On the basis of the most recent forecast of local government trust fund revenues and expenditures, not including expenditures under this section, the commissioner of finance shall determine on or before July 1, 1994, whether the local government trust fund revenues for fiscal year 1995 will exceed the amount appropriated from the fund. If the amount of revenues are estimated to exceed appropriations, up to the first \$3,000,000 of the excess is appropriated

from the local government trust fund to the commissioner of revenue to increase the payment of property tax refunds to renters under Minnesota Statutes, section 290A.04, subdivision 2a, for claims relating to rent constituting property taxes for rents paid in 1993. The commissioner shall proportionately increase each claimant's refund by an amount the commissioner estimates is sufficient to pay out the additional appropriation. The amount paid to a claimant under this appropriation is not subject to the limitations under Minnesota Statutes, chapter 290A, on the maximum amount of a refund. The additional refund under this section shall be included with the originally authorized refund and paid at the same time as prescribed for the original refund under Minnesota Statutes, section 290A.07. The commissioner's adjustments are final. If, as a result of the commissioner's estimates the additional refund paid under this section exceeds the amount the commissioner originally determined as the available local government trust fund surplus, the excess is appropriated first from any remaining local government trust fund surplus and then, if necessary, from the general fund.

(b) If an additional appropriation is made under the provision of paragraph (a), the commissioner of revenue shall recommend modifications of the property tax refund schedule to the 1995 legislature to provide an equivalent permanent increase in the property tax refund for renters.

Sec. 8. [EFFECTIVE DATE.]

Section 1 is effective for refunds payable for rents paid in 1993 and property taxes payable in 1994, and thereafter.

Sections 2 and 3 are effective for refunds payable for rents paid in 1992 and property taxes payable in 1993, and thereafter.

Section 4 is effective for refunds for property taxes payable in 1994, 1995, and 1996 only.

#### ARTICLE 4

##### TRUTH IN TAXATION AND LEVY LIMIT TECHNICAL

Section 1. Minnesota Statutes 1992, section 103B.635, subdivision 2, is amended to read:

Subd. 2. [MUNICIPAL FUNDING OF DISTRICT.] (a) The governing body or board of supervisors of each municipality in the district must provide the funds necessary to meet its proportion of the total cost determined by the board, provided the total funding from all municipalities in the district for the costs shall not exceed an amount equal to .00242 percent of the total taxable market value within the district, unless three-fourths of the municipalities in the district pass a resolution concurring to the additional costs.

~~(b) A municipality may raise the funds by any means that the municipality has to raise funds. The municipalities may each levy a tax not to exceed .00242 percent of taxable market value on the taxable property located in the district for funding the district. The levy must be within all other limitations provided by law.~~

(c) The funds must be deposited in the treasury of the district in amounts and at times as the treasurer of the district requires.

Sec. 2. Minnesota Statutes 1992, section 134.001, is amended by adding a subdivision to read:

Subd. 8. [REGIONAL PUBLIC LIBRARY DISTRICT.] "Regional public library district" means a governmental unit formed according to this chapter to operate multicounty public library services.

Sec. 3. [134.201] [REGIONAL LIBRARY DISTRICT.]

Subdivision 1. [ESTABLISHMENT.] Regional public library districts may be established under this section in the areas of the existing Great River Regional library system and the East Central Regional library system. The geographic boundaries shall be those established by the state board of education under section 134.34, subdivision 3.

Subd. 2. [FORMATION.] A regional public library district may be formed by:

(1) approval of a majority of the city councils and boards of county commissioners of the cities and counties that finance regional public library system services and represent a majority of the population to be served; or

(2) a majority of those voting on the issue in the entire area to be served by the district in a referendum called after petitions for the referendum have been filed in each of the local governmental units. Petitions must be signed by eligible voters in a number not less than five percent of the number of persons who voted in the last general election in each city and county that is a party to the system contract or agreement.

A city that is not participating in a regional public library system may join the district by majority vote of the city council or by referendum under clause (2) and with the approval of the board of the regional public library district.

Subd. 3. [TERMINATION.] A regional public library district may be terminated at any time after the district has been in operation for three years. The procedure for termination is the same as that for creation under subdivision 2, clause (2).

Subd. 4. [BOARD.] (a) If the district is formed under subdivision 2, clause (1), the board of the public regional library district shall be composed of one county commissioner or the commissioner's designee from each county in the district's service area and one elected member from each county for each ten percent or a major fraction of the district's population. A majority of the members of the board must be elected members.

(b) If the district is formed under subdivision 2, clause (2), the board of the regional library district shall be composed of one member elected from each county in the district's service area and one member elected from each county for each ten percent or a major fraction of the district's population.

(c) Elected board members shall be elected at large from a county at a November election. Board members elected shall assume office on the following January 2. The term of a member shall be four years, with the terms of an initial board to expire in two years for one-half of the members. The board shall organize itself under section 134.11, subdivision 1. The board has the powers and duties set forth in section 134.11, subdivision 2.

Subd. 5. [GENERAL LEVY AUTHORITY.] The board may levy for operation of public library service. This levy shall replace levies for operation of public library service by cities and counties authorized in section 134.07. The amount levied shall be spread on the net tax capacity of all taxable property in the district at a uniform tax rate.

(a) The maximum amount that may be levied by a board under this section is the greater of: (1) the statewide average local support per capita for public library services for the most recent reporting period available, as certified by the commissioner of education, multiplied by the population of the district according to the most recent estimate of the state demographer or the metropolitan council; or (2) the total amount provided by participating counties and cities under section 134.34, subdivision 4, during the year preceding the first year of operation.

(b) For its first year of operation, the board shall levy an amount not less than the total dollar amount provided by participating cities and counties during the preceding year under section 134.34, subdivision 4.

Subd. 6. [BASIC SYSTEM SUPPORT GRANT.] A regional public library district that meets federal and state requirements for a regional library basic system support grant is eligible to receive a grant. A regional library basic system support grant shall not be made to a regional public library district if the district board reduces its levy for operation of public library service below the amount of the levy in the preceding year.

Subd. 7. [LIBRARY BUILDINGS.] In addition to the levy authorized in subdivision 5 and all other levies authorized for cities and counties, a city or county served by a library district may levy for the construction, acquisition, maintenance, and utilities costs of library buildings. The board of a district may issue bonds, with an election, according to chapter 475 or levy under this section a special capital levy for capital improvements for a library building. A district may purchase or lease a building to be used for library purposes from a city or county.

Subd. 8. [BORROW MONEY.] The board of a district may borrow money and issue tax anticipation certificates as needed to provide library services or for library buildings.

Subd. 9. [TRANSITION PROVISIONS.] If a regional public library system is reorganized into a regional public library district there will be a transition period. The transition period shall begin at the time the regional public library system board adopts a resolution that recommends formation of a district to its participants and that sets an effective date for the establishment of the district. During the transition period participating counties and cities must fund public library services under their existing contracts, and planning for administrative changes may occur. The regional public library system board shall continue until the district board members assume their duties, at which time the transition period ends.

Subd. 10. [ASSUMPTION OF ASSETS, LIABILITIES, AND CONTRACTS.] Upon assumption of responsibilities by the regional public library district board, the regional public library system assets, liabilities, and existing contracts, including contracts negotiated under chapter 179A, shall become the assets, liabilities, and contracts of the regional public library district board.

Sec. 4. Minnesota Statutes 1992, section 134.35, subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. Regional public library districts under section 134.201 may not compensate board members using grant funds. The amount of each grant for each fiscal year shall be calculated as provided in this section.

Sec. 5. Minnesota Statutes 1992, section 134.351, subdivision 4, is amended to read:

Subd. 4. [GOVERNANCE.] In any area where the boundaries of a proposed multicounty, multitype library system coincide with the boundaries of the regional library system or district, the regional library system or district board shall be designated as the governing board for the multicounty, multitype library system. In any area where a proposed multicounty, multitype library system encompasses more than one regional library system or district, the governing board of the multicounty, multitype library system shall consist of nine members appointed by the cooperating regional library system or district boards from their own membership in proportion to the population served by each cooperating regional library system or district. In each multicounty, multitype library system there shall be established an advisory committee consisting of two representatives of public libraries, two representatives of school media services, one representative of special libraries, one representative of public supported academic libraries, and one representative of private academic libraries. The advisory committee shall recommend needed policy to the system governing board.

Sec. 6. Minnesota Statutes 1992, section 204D.19, is amended by adding a subdivision to read:

Subd. 5. [PROHIBITION.] No special election shall be held under this section on the second Tuesday in December.

Sec. 7. Minnesota Statutes 1992, section 205.10, is amended by adding a subdivision to read:

Subd. 3. [PROHIBITION.] No special election shall be held under this section on the second Tuesday in December.

Sec. 8. Minnesota Statutes 1992, section 205A.05, subdivision 1, is amended to read:

Subdivision 1. [QUESTIONS.] Special elections must be held for a school district on a question on which the voters are authorized by law to pass judgment. The school board may on its own motion call a special election to vote on any matter requiring approval of the voters of a district. Upon petition of 50 or more voters of the school district or five percent of the number of voters voting at the preceding regular school district election, the school board shall by resolution call a special election to vote on any matter requiring approval of the voters of a district. A question is carried only with the majority in its favor required by law. The election officials for a special election are the same as for the most recent school district general election unless changed according to law. Otherwise, special elections must be conducted and the returns made in the manner provided for the school district general election. A special election may not be held during the 30 days before and the 30 days after the state primary or state general election, or on the second Tuesday in December. In addition, a special election may not be held during the 20 days before and the 20 days after any regularly scheduled election of a municipality wholly or partially within the school district. Notwithstanding any other law to the contrary, the time period in which a special election must be conducted under any other law may be extended by the school board to conform with the requirements of this subdivision.

Sec. 9. Minnesota Statutes 1992, section 275.065, subdivision 3, is amended to read:

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

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

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority other than a town proposes to collect for taxes payable the following year and, for a town, the amount of its final levy. It must

clearly state that each taxing authority, ~~other than a town or special taxing district~~ including regional library districts established under section 134.201, and including the metropolitan taxing districts as defined in paragraph (i), but excluding all other special taxing districts and towns, will hold a public meeting to receive public testimony on the proposed budget and proposed or final property tax levy, or, in case of a school district, on the current budget and proposed property tax levy. It must clearly state the time and place of each taxing authority's meeting and an address where comments will be received by mail. For 1993, the notice must clearly state that each taxing authority holding a public meeting will describe the increases or decreases of the total budget, including employee and independent contractor compensation in the prior year, current year, and the proposed budget year.

(d) The notice must state for each parcel:

(1) the market value of the property as ~~defined~~ determined under section ~~272.03, subdivision 8~~ 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) by county, city or town, school district excess referenda levy, remaining school district levy, regional library district, if in existence, the total of the metropolitan special taxing districts as defined in paragraph (i) and the sum of the remaining special taxing districts, and as a total of the taxing authorities, including all special taxing districts, the proposed or, for a town, final net tax on the property for taxes payable the following year and the actual tax for taxes payable the current year. In the case of the city of Minneapolis, the levy for the Minneapolis library board and the levy for Minneapolis park and recreation shall be listed separately from the remaining amount of the city's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

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

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

(1) special assessments;

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

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

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

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

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

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

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

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

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

(i) For purposes of this subdivision, subdivisions 5a and 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

- (1) metropolitan council under section 473.132, 473.167, 473.249, 473.325, 473.521, 473.547, or 473.834;
- (2) metropolitan airports commission under section 473.667, 473.671, or 473.672;
- (3) regional transit board under section 473.446; and
- (4) metropolitan mosquito control commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy and shall be discussed at that county's public hearing.

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

Sec. 10. Minnesota Statutes 1992, section 275.065, subdivision 5a, is amended to read:

Subd. 5a. [PUBLIC ADVERTISEMENT.] (a) A city that has a population of more than 1,000, county, a metropolitan special taxing district as defined in subdivision 3, paragraph (i), a regional library district established under section 134.201, or school district shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing. The notice must be published not less than two business days nor more than six business days before the hearing.

~~For a city that has a population of more than 1,000 but less than 2,500 the advertisement must be at least one eighth page in size of a standard size or a tabloid size newspaper. The first headline in the advertisement stating the notice of proposed property taxes and the notice of public hearing must be in a type no smaller than 14 point, and the second headline must be in a type no smaller than 12 point. The text of the advertisement must be no smaller than 10 point, except that the property tax amounts and percentages may be in 9 point type.~~

~~For a city that has a population of 2,500 or more, a county or a school district, the first headline in the advertisement stating the notice of proposed property taxes and the notice of public hearing must be in a type no smaller than 30 point, and the second headline must be in a type no smaller than 22 point. The text of the advertisement must be no smaller than 14 point, except that the property tax amounts and percentages may be in 12 point type.~~

The advertisement must be at least one-eighth page in size of a standard-size or a tabloid-size newspaper. The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

For purposes of this section, the metropolitan special taxing district's advertisement must only be published in the Minneapolis Star and Tribune and the St. Paul Pioneer Press.

(b) The advertisement must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

"NOTICE OF

PROPOSED PROPERTY TAXES

(City/County/School District/Metropolitan  
Special Taxing District/Regional  
Library District) of .....

The governing body of ..... will soon hold budget hearings and vote on the property taxes for (city/county/metropolitan special taxing district/regional library district services that will be provided in 199\_/school district services that will be provided in 199\_ and 199\_).

## NOTICE OF PUBLIC HEARING:

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (city/county/school district/metropolitan special taxing district/regional library district) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

(c) A city with a population of 1,000 or less must advertise by posted notice as defined in section 645.12, subdivision 1. The advertisement must be posted at the time provided in paragraph (a). It must be in the form required in paragraph (b).

(d) For purposes of this subdivision, the population of a city is the most recent population as determined by the state demographer under section 4A.02.

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

(f) For calendar year 1993, each taxing authority required to publish an advertisement must include on the advertisement a statement that information on the increases or decreases of the total budget, including employee and independent contractor compensation in the prior year, current year, and proposed budget year will be discussed at the hearing.

(g) Notwithstanding paragraph (f), for 1993, the commissioner of revenue shall prescribe the form, format, and content of an advertisement comparing current and proposed expense budgets for the metropolitan council, the metropolitan airports commission, the metropolitan mosquito control commission, and the regional transit board. The expense budget must include occupancy, personnel, contractual and capital improvement expenses. The form, format, and content of the advertisement must be approved by the chairs of the house and senate tax committees prior to publication.

Sec. 11. Minnesota Statutes 1992, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 29 and December 20, the governing bodies of the city and county, metropolitan special taxing districts as defined in subdivision 3, paragraph (i), and regional library districts shall each hold a public hearing to adopt discuss and seek public comment on its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold a public hearing to review its current budget and ~~adopt its~~ proposed property tax levy for taxes payable in the following year. The metropolitan special taxing districts shall be required to hold only a single joint public hearing, the location of which will be determined by the affected metropolitan agencies.

At the a subsequent hearing, the taxing authority, other than a school district, may amend the proposed budget and property tax levy and must adopt a final budget and property tax levy, and the school district may amend the proposed property tax levy and must adopt a final property tax levy.

The property tax levy certified under section 275.07 by a city, county, metropolitan special taxing district, regional library district, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 124.82, subdivision 3, 124A.03, subdivision 2, 124B.03, subdivision 2, or 136C.411, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds issued or approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a; and

(6) the amount of an increase in levy limits certified to the taxing authority by ~~the commissioner of revenue or the commissioner of education~~ after the proposed levy was certified.

At the hearing under this subdivision, the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. At the hearing held in 1993 only, specific information for previous year, current year, and proposed budget year must be presented on:

- (i) percent of total proposed budget representing total compensation cost;
- (ii) numbers of employees by general classification, and whether full or part time;
- (iii) number and budgeted expenditures for independent contractors; and
- (iv) the effect of budget increases or decreases on the proposed property tax levy.

During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions ~~prior to adoption of any measures by the governing body~~. At a subsequent hearing, the governing body, other than the governing body of a school district, shall adopt its final property tax levy prior to adopting its final budget.

If the hearing is not completed on its scheduled date, the taxing authority must announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continued hearing must be held at least five business days but no more than 14 business days after the original hearing.

The hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No hearing may be held on a Sunday. The governing body of a county shall hold ~~its a~~ hearing on the second Tuesday in December each year, and may hold additional hearings on other dates before December 20 if necessary for the convenience of county residents. The county auditor shall provide for the coordination of hearing dates for all cities and school districts within the county.

By August ~~15~~ 10, each school board and the board of the regional library district shall certify to the county auditors of the counties in which the school district or regional library district is located the dates on which it elects to hold its hearings and any continuations. If a school board or regional library district does not certify the dates by August ~~15~~ 10, the auditor will assign the hearing date. The dates elected or assigned must not conflict with the county hearing dates. The county auditor shall coordinate with the metropolitan special taxing districts as defined in subdivision 3, paragraph (i), a date on which the metropolitan special taxing districts will hold their joint public hearing and any continuation. By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which school districts, metropolitan special taxing districts, and regional library districts have elected to hold their hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its hearings and any continuations. The city must not select dates that conflict with the county hearing dates, metropolitan special taxing district dates, or with those elected by or assigned to the school districts or regional library district in which the city is located.

The county hearing dates and the city, metropolitan special taxing district, regional library district, and school district hearing dates must be designated on the notices required under subdivision 3. The continuation dates need not be stated on the notices.

This subdivision does not apply to towns and special taxing districts other than regional library districts and metropolitan special taxing districts.

Notwithstanding the requirements of this section, the employer is required to meet and negotiate over employee compensation as provided for in chapter 179A.

Sec. 12. Minnesota Statutes 1992, section 275.065, is amended by adding a subdivision to read:

Subd. 8. [HEARING.] Notwithstanding any other provision of law, Ramsey county, the city of St. Paul, and independent school district No. 625 are authorized to and shall hold their public hearing jointly. The hearing must be held on the second Tuesday of December each year. The advertisement required in subdivision 5a may be a joint advertisement. The hearing is otherwise subject to the requirements of this section.

Ramsey county is authorized to hold an additional hearing or hearings as provided under this section, provided that any additional hearings must not conflict with the hearing dates of the other taxing districts. However, if Ramsey county elects not to hold such additional hearing or hearings, the joint hearing required by this subdivision must be held in a St. Paul location convenient to residents of Ramsey county.

Sec. 13. Minnesota Statutes 1992, section 276.04, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF TAX STATEMENTS.] (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The statement must contain a tabulated statement of the dollar amount due to each taxing authority from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the county, township or municipality and, the total of the metropolitan special taxing districts as defined in section 275.065, subdivision 3, paragraph (i), school district excess referenda levy, remaining school district levy, and the total of other voter approved referenda levies based on market value under section 275.61 must be separately stated. The amounts due all other special taxing districts, if any, may be aggregated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The statement shall include the following sentence, printed in upper case letters in boldface print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT."

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

(1) the property's estimated market value as defined in section 272.03, subdivision 8;

(2) the property's gross tax, calculated by multiplying the property's gross tax capacity times the total local tax rate and adding to the result the sum of the aids enumerated in clause (3);

(3) a total of the following aids:

(i) education aids payable under chapters 124 and 124A;

(ii) local government aids for cities, towns, and counties under chapter 477A; and

(iii) disparity reduction aid under section 273.1398;

(4) for homestead residential and agricultural properties, the homestead and agricultural credit aid apportioned to the property. This amount is obtained by multiplying the total local tax rate by the difference between the property's gross and net tax capacities under section 273.13. This amount must be separately stated and identified as "homestead and agricultural credit." For purposes of comparison with the previous year's amount for the statement for taxes payable in 1990, the statement must show the homestead credit for taxes payable in 1989 under section 273.13, and the agricultural credit under section 273.132 for taxes payable in 1989;

(5) any credits received under sections 273.119; 273.123; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief"; and

(6) the net tax payable in the manner required in paragraph (a) ~~and~~

~~(7) any additional amount of tax authorized under sections 124A.03, subdivision 2a, and 275.61. These amounts shall be listed as "voter approved referenda levies."~~

The commissioner of revenue shall certify to the county auditor the actual or estimated aids enumerated in clauses (3) and (4) that local governments will receive in the following year. In the case of a county containing a city of the

first class, for taxes levied in 1991, and for all counties for taxes levied in 1992 and thereafter, the commissioner must certify this amount by September 1.

Sec. 14. [383A.75] [JOINT PROPERTY TAX ADVISORY COMMITTEE.]

Subdivision 1. [CREATION.] There is created the joint property tax advisory committee.

Subd. 2. [MEMBERSHIP.] The membership of the committee consists of the mayor and up to three members of the city council of the city of St. Paul; the county manager and up to three members of the county board of Ramsey county; and the superintendent and up to three members of the board of education of independent school district No. 625. The chair of the Ramsey county league of local governments shall be a nonvoting ex officio member. The committee shall be convened by the mayor of St. Paul, and at the first meeting, the chair for the first year must be determined by lot, and thereafter, the chair must annually rotate among the mayor or designee, the superintendent or designee, and the county manager or designee.

Subd. 3. [DUTIES.] The committee is authorized to and shall meet from time to time to make appropriate recommendations for the efficient and effective use of property tax dollars raised by the jurisdictions for programs, buildings, and operations. In addition, the committee shall:

(1) identify trends and factors likely to be driving budget outcomes over the next five years with recommendations for how the jurisdictions should manage those trends and factors to increase efficiency and effectiveness;

(2) agree, by August 1 of each year, on the appropriate level of overall property tax levy for the three jurisdictions and publicly report such to the governing bodies of each jurisdiction for ratification or modification by resolution;

(3) plan for the joint truth-in-taxation hearings under section 275.065, subdivision 8; and

(4) identify, by December 31 of each year, areas of the budget to be targeted in the coming year for joint review to improve services or achieve efficiencies.

In carrying out its duties, the committee shall consult with public employees of each jurisdiction and with other stakeholders of the city, county, and school district, as appropriate.

Subd. 4. [STAFF; FUNDING.] The committee must be staffed by employees as designated by each jurisdiction. The committee may also seek public or private funding from any source to assist its work and may utilize volunteer help as appropriate.

Subd. 5. [RECOGNITION OF INNOVATIVE EFFORTS BY LOCAL EMPLOYEES.] The committee may use public or private funding to recognize or reward efforts by local government employees to restructure service delivery to improve efficiency or achieve cost savings.

Sec. 15. Minnesota Statutes 1992, section 473.13, subdivision 1, is amended to read:

Subdivision 1. [BUDGET.] On or before ~~October 1~~ December 20 of each year the council, after a the public hearing required in section 275.065, shall adopt a final budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget, an increase of over \$10,000 in the council's budget, a program or department budget, or a budget item, must be approved by the council before the increase is allowed or the funds obligated. After adoption of the budget and no later than ~~October 1~~ five working days after December 20, the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by sections 473.167 and 473.249.

Sec. 16. Minnesota Statutes 1992, section 473.1623, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL REPORT.] By ~~December~~ February 15 of even-numbered years, the council, in consultation with the advisory committee, shall publish a consolidated financial report for the council and all metropolitan agencies

and their functions, services, and systems. The financial report must cover the calendar year in which the report is published and the ~~two~~ three years preceding and ~~three~~ two years succeeding that year. The financial report must contain the following information, for each agency, function, or system, respectively, and in the aggregate, in a consistent format that allows comparison over time and among agencies in expenditure and revenue categories:

- (1) financial policies, goals, and priorities;
- (2) levels and allocation of public expenditure, including capital, debt, operating, and pass-through funds, stated in the aggregate and by appropriate functional, programmatic, administrative, and geographic categories, and the changes in expenditure levels and allocations that the report represents;
- (3) the resources available under existing fiscal policy;
- (4) additional resources, if any, that are or may be required;
- (5) changes in council or agency policies on regional sources of revenue and in levels of debt, user charges, and taxes;
- (6) other changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that have been or may be recommended by the council or the respective agencies;
- (7) an analysis that links, as far as practicable, the uses of funds and the sources of funds, by appropriate categories and in the aggregate;
- (8) a description of how the fiscal policies effectuate current policy and implementation plans of the council and agencies concerned; and
- (9) a summary of significant changes in council and agency finance and an analysis of fiscal trends.

The council shall present the report for discussion and comment at a public meeting in the metropolitan area and request, in writing, an opportunity to make presentations on the report before appropriate committees of the legislature.

Sec. 17. Minnesota Statutes 1992, section 473.167, subdivision 4, is amended to read:

Subd. 4. [STATE REVIEW.] The commissioner of revenue shall certify the council's levy limitation under this section to the council by August 1 of the levy year. The council must certify its proposed property tax levy to the commissioner of revenue by ~~August 1~~ September 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for the right-of-way acquisition loan fund certified by the metropolitan council for levy following the adoption of its proposed budget is within the levy limitation imposed by this section. The determination must be completed prior to ~~September 1~~ September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculation.

Sec. 18. Minnesota Statutes 1992, section 473.249, subdivision 2, is amended to read:

Subd. 2. The commissioner of revenue shall certify the council's levy limitation under this section to the council by August 1 of the levy year. The council must certify its proposed property tax levy to the commissioner of revenue by ~~August 1~~ September 1 of the levy year. The commissioner of revenue shall annually determine whether the ad valorem property tax certified by the metropolitan council for levy following the adoption of its proposed budget is within the levy limitation imposed by this section. The determination shall be completed prior to ~~September 1~~ September 10 of each year. If current information regarding gross tax capacity in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current gross tax capacity within that county for purposes of making the calculation.

Sec. 19. Minnesota Statutes 1992, section 473.446, subdivision 8, is amended to read:

Subd. 8. [STATE REVIEW.] The board must certify its property tax levy to the commissioner of revenue by August 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for general purposes certified by the regional transit board for levy following the adoption of its budget is within the levy

limitation imposed by subdivision 1. The commissioner shall also annually determine whether the transit tax imposed on all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district is within the levy limitation imposed by subdivision 1a. The determination must be completed prior to September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculations.

Sec. 20. Minnesota Statutes 1992, section 473.711, subdivision 5, is amended to read:

Subd. 5. [STATE REVIEW.] The commission must certify its property tax levy to the commissioner of revenue by August 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax certified by the metropolitan mosquito control commission for levy following the adoption of its budget is within the levy limitation imposed by subdivision 2. The determination must be completed prior to September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculation.

Sec. 21. Laws 1953, chapter 387, section 1, is amended to read:

Section 1. [Library board, Minneapolis.] The library board of any city now or hereafter having more than 450,000 inhabitants may levy annually on all real and personal property within such city a tax ~~not exceeding four mills on each dollar of the assessed valuation of such city~~ for the establishment, maintenance and government of the libraries of such city, and for the payment of all other expenses proper and incidental to the establishment, maintenance and government of such libraries. ~~The tax herein authorized to be levied shall not at any time be in excess of the maximum rate of taxation fixed for the purposes herein mentioned by any board or department of any such city upon whom the duty of fixing the maximum rate of taxation for the various boards and departments thereof is placed by the charter of such city. For the purpose of determining such tax limitations the property classified as Class 3b or as Class 3c by Section 273.13 M.S. may be computed at 33 1/3 percent and 40 percent, respectively, of the full and true value of such real property is not subject to any limitations on levies in the city charter.~~

Sec. 22. Laws 1969, chapter 561, section 1, is amended to read:

Section 1. [Minneapolis, city of; park improvement fund; tax levy.] The board of park commissioners of the City of Minneapolis may create a park improvement fund to be maintained by an annual tax levy on the real and personal property of the city ~~not exceeding six tenths of a mill on each dollar of the assessed valuation of the city~~. The amount of any such levy shall be subject to the supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city, but is not subject to any charter limitation on the amount of levies for this purpose.

Sec. 23. Laws 1971, chapter 373, section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; TAX LEVY FOR PARK AND RECREATION FACILITIES.] Subdivision 1. The park and recreation board of the city of Minneapolis may levy annually on the real and personal property of the city a tax ~~not exceeding 8.7 mills on each dollar of the assessed valuation of the city~~ for the purpose of acquiring, equipping, improving, maintaining, operating, and governing parks, parkways, playgrounds and other recreational facilities, and conducting recreational programs for the public use.

Sec. 24. Laws 1971, chapter 373, section 2, is amended to read:

Sec. 2. Any levy under this act shall ~~not~~ be in addition to any levy now authorized for any of such purposes by the charter of the city or by Laws 1969, Chapter 592; the amount of such levy shall be subject to the supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city. All taxes so levied shall be certified to the county auditor on or before ~~October 10~~ September 1 each year, and shall be collected with, and the payment thereof enforced, in the same manner as the general tax and with like penalties and interest.

Sec. 25. Laws 1971, chapter 455, section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; PARKS AND PARKWAYS; MAINTENANCE FUND; CREATION OF FUND, TAX LEVY.] The park and recreation board of the city of Minneapolis may create a park rehabilitation and parkway maintenance fund to be maintained by an annual tax levy on the real and personal property of the city ~~not exceeding 1.1 mills on each dollar of the assessed valuation of the city~~. The amount of any such levy shall be subject to the

supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city, but is not subject to any charter limitations on the amount of levies for this purpose.

Sec. 26. [CANCELLATION OF LEVY LIMIT PENALTIES.]

Any penalty imposed on a local government under Minnesota Statutes 1990, section 275.51, subdivision 4, is canceled provided that (1) the penalty has not been collected from aid payments to the local government by the end of calendar year 1992 and (2) the local government is not certified to receive any aid in 1993 from which the penalty can be collected.

Sec. 27. [APPLICATION.]

The provisions of this article relating to metropolitan taxing districts apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 28. [REPEALER.]

Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1, 2, and 3, are repealed.

Sec. 29. [EFFECTIVE DATE.]

Sections 1, 6 to 8, 13, 15 to 25, 27, and 28 are effective for taxes levied in 1993, payable in 1994 and thereafter.

Section 3, subdivision 5, and the provisions of sections 9 to 11 relating to regional library districts are effective for property taxes levied in 1994, payable in 1995, and thereafter. The other provisions of sections 9 to 11 are effective for property taxes levied in 1993, payable in 1994 and thereafter.

Sections 12 and 14 are effective the day following final enactment and without local approval, as provided in Minnesota Statutes, section 645.023, subdivision 1, clause (a), and shall expire after December 31, 1997.

Section 26 is effective beginning with aids payable in calendar year 1993.

## ARTICLE 5

### INCOME TAX AND FEDERAL UPDATE

Section 1. Minnesota Statutes 1992, section 289A.09, is amended by adding a subdivision to read:

Subd. 3. [FEDERAL ANNUITIES; TAX WITHHOLDING REQUEST.] The commissioner of revenue shall participate with the United States Office of Personnel Management in a program of voluntary state income tax withholding on the federal annuities of retired federal employees. Upon the request of the taxpayer to the commissioner of revenue, and only on request of the taxpayer, the commissioner shall provide for state income tax withholding on federal annuities paid to the taxpayer.

Sec. 2. Minnesota Statutes 1992, section 289A.20, subdivision 2, is amended to read:

Subd. 2. [WITHHOLDING FROM WAGES, ENTERTAINER WITHHOLDING, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, AND WITHHOLDING BY PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.] (a) A tax required to be deducted and withheld during the quarterly period must be paid on or before the last day of the month following the close of the quarterly period, unless an earlier time for payment is provided. A tax required to be deducted and withheld from compensation of an entertainer and from a payment to an out-of-state contractor must be paid on or before the date the return for such tax must be filed under section 289A.18, subdivision 2. Taxes required to be deducted and withheld by partnerships and S corporations must be paid on or before the date the return must be filed under section 289A.18, subdivision 2.

(b)(1) Unless clause (2) applies, if during any calendar month, other than the last month of the calendar quarter, the aggregate amount of the tax withheld during that quarter under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, exceeds \$500, the employer shall deposit the aggregate amount with the commissioner within 15 days after the close of the calendar month.

(2) If at the close of any eighth monthly period the aggregate amount of undeposited taxes is \$3,000 or more, the employer, or person withholding tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, shall deposit the undeposited taxes with the commissioner within three banking days after the close of the eighth monthly period. For purposes of this clause, the term "eighth monthly period" means the first three days of a calendar month, the fourth day through the seventh day of a calendar month, the eighth day through the 11th day of a calendar month, the 12th day through the 15th day of a calendar month, the 16th day through the 19th day of a calendar month, the 20th day through the 22nd day of a calendar month, the 23rd day through the 25th day of a calendar month, or the part of a calendar month following the 25th day of the month. An employer who, during the previous quarter, withheld more than \$500 of tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, must deposit tax withheld under those sections with the commissioner within the time allowed to deposit the employer's federal withheld employment taxes under Treasury Regulation, section 31.6302-1, without regard to the safe harbor or de minimus rules in subparagraph (f) or the one-day rule in subsection (c), clause (3). Taxpayers must submit a copy of their federal notice of deposit status to the commissioner upon request by the commissioner.

(c) The commissioner may prescribe by rule other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify payors according to the amount of their tax liability and may adopt an appropriate reporting period for the class that the commissioner judges to be consistent with efficient tax collection. In no event will the duration of the reporting period be more than one year.

(d) If less than the correct amount of tax is paid to the commissioner, proper adjustments with respect to both the tax and the amount to be deducted must be made, without interest, in the manner and at the times the commissioner prescribes. If the underpayment cannot be adjusted, the amount of the underpayment will be assessed and collected in the manner and at the times the commissioner prescribes.

(e) If the aggregate amount of the tax withheld during a fiscal year ending June 30 under section 290.92, subdivision 2a or 3, is equal to or exceeds \$240,000, the employer must remit each required deposit in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the deposit is due. If the date the deposit is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the deposit is due.

Sec. 3. Minnesota Statutes 1992, section 289A.26, subdivision 7, is amended to read:

Subd. 7. [REQUIRED INSTALLMENTS.] (a) Except as otherwise provided in this subdivision, the amount of a required installment is 25 percent of the required annual payment.

(b) Except as otherwise provided in this subdivision, the term "required annual payment" means the lesser of:

(1)(i) ~~for tax years beginning in calendar year 1992, 93~~ 97 percent of the tax shown on the return for the taxable year, or, if no return is filed, ~~93~~ 97 percent of the tax for that year;

(ii) ~~for tax years beginning after December 31, 1992, 95 percent of the tax shown on the return for the taxable year, or if no return is filed 95 percent of the tax for that year; or~~

(2) 100 percent of the tax shown on the return of the entity for the preceding taxable year provided the return was for a full 12-month period, showed a liability, and was filed by the entity.

(c) Except for determining the first required installment for any taxable year, paragraph (b), clause (2), does not apply in the case of a large corporation. The term "large corporation" means a corporation or any predecessor corporation that had taxable net income of \$1,000,000 or more for any taxable year during the testing period. The term "testing period" means the three taxable years immediately preceding the taxable year involved. A reduction allowed to a large corporation for the first installment that is allowed by applying paragraph (b), clause (2), must be recaptured by increasing the next required installment by the amount of the reduction.

(d) In the case of a required installment, if the corporation establishes that the annualized income installment is less than the amount determined in paragraph (a), the amount of the required installment is the annualized income installment and the recapture of previous quarters' reductions allowed by this paragraph must be recovered by increasing later required installments to the extent the reductions have not previously been recovered.

(e) The "annualized income installment" is the excess, if any, of:

(1) an amount equal to the applicable percentage of the tax for the taxable year computed by placing on an annualized basis the taxable income:

(i) for the first two months of the taxable year, in the case of the first required installment;

(ii) for the first two months or for the first five months of the taxable year, in the case of the second required installment;

(iii) for the first six months or for the first eight months of the taxable year, in the case of the third required installment; and

(iv) for the first nine months or for the first 11 months of the taxable year, in the case of the fourth required installment, over

(2) the aggregate amount of any prior required installments for the taxable year.

(3) For the purpose of this paragraph, the annualized income shall be computed by placing on an annualized basis the taxable income for the year up to the end of the month preceding the due date for the quarterly payment multiplied by 12 and dividing the resulting amount by the number of months in the taxable year (2, 5, 6, 8, 9, or 11 as the case may be) referred to in clause (1).

(4) The "applicable percentage" used in clause (1) is:

For the following required installments:

The applicable percentage is:

	for tax years beginning in 1992		for tax years beginning after December 31, 1992
1st	23.25	<u>24.25</u>	23.75
2nd	46.5	<u>48.5</u>	47.5
3rd	69.75	<u>72.75</u>	71.25
4th	93	<u>97</u>	95

(f)(1) If this paragraph applies, the amount determined for any installment must be determined in the following manner:

(i) take the taxable income for the months during the taxable year preceding the filing month;

(ii) divide that amount by the base period percentage for the months during the taxable year preceding the filing month;

(iii) determine the tax on the amount determined under item (ii); and

(iv) multiply the tax computed under item (iii) by the base period percentage for the filing month and the months during the taxable year preceding the filing month.

(2) For purposes of this paragraph:

(i) the "base period percentage" for a period of months is the average percent that the taxable income for the corresponding months in each of the three preceding taxable years bears to the taxable income for the three preceding taxable years;

(ii) the term "filing month" means the month in which the installment is required to be paid;

(iii) this paragraph only applies if the base period percentage for any six consecutive months of the taxable year equals or exceeds 70 percent; and

(iv) the commissioner may provide by rule for the determination of the base period percentage in the case of reorganizations, new corporations, and other similar circumstances.

(3) In the case of a required installment determined under this paragraph, if the entity determines that the installment is less than the amount determined in paragraph (a), the amount of the required installment is the amount determined under this paragraph and the recapture of previous quarters' reductions allowed by this paragraph must be recovered by increasing later required installments to the extent the reductions have not previously been recovered.

Sec. 4. Minnesota Statutes 1992, section 289A.50, subdivision 5, is amended to read:

Subd. 5. [WITHHOLDING OF REFUNDS FROM CHILD SUPPORT AND MAINTENANCE DEBTORS.] (a) If a court of this state finds that a person obligated to pay child support or maintenance is delinquent in making payments, the amount of child support or maintenance unpaid and owing, including attorney fees and costs incurred in ascertaining or collecting child support or maintenance, must be withheld from a refund due the person under chapter 290. The public agency responsible for child support enforcement or the parent or guardian of a child for whom the support, attorney fees, and costs are owed or the party to whom maintenance, attorney fees, and costs are owed may petition the district ~~or county~~ court for an order providing for the withholding of the amount of child support, maintenance, attorney fees, and costs unpaid and owing as determined by court order. The person from whom the refund may be withheld must be notified of the petition under the rules of civil procedure before the issuance of an order under this subdivision. The order may be granted on a showing to the court that required support or maintenance payments, attorney fees, and costs have not been paid when they were due.

(b) On order of the court, the commissioner shall withhold the money from the refund due to the person obligated to pay the child support or maintenance. The amount withheld shall be remitted to the public agency responsible for child support enforcement ~~or to~~ the parent or guardian petitioning on behalf of the child, or the party to whom maintenance is owed, after any delinquent tax obligations of the taxpayer owed to the revenue department have been satisfied and after deduction of the fee prescribed in section 270A.07, subdivision 1. An amount received by the responsible public agency, or the petitioning parent or guardian, or the party to whom maintenance is owed, in excess of the amount of public assistance spent for the benefit of the child to be supported, or the amount of any support, maintenance, attorney fees, and costs that had been the subject of the claim under this subdivision that has been paid by the taxpayer before the diversion of the refund, must be paid to the person entitled to the money. If the refund is based on a joint return, the part of the refund that must be paid to the petitioner is the proportion of the total refund that equals the proportion of the total federal adjusted gross income of the spouses that is the federal adjusted gross income of the spouse who is delinquent in making the child support or maintenance payments.

(c) A petition filed under this subdivision remains in effect with respect to any refunds due under this section until the support ~~money or maintenance~~, attorney fees, and costs have been paid in full or the court orders the commissioner to discontinue withholding the money from the refund due the person obligated to pay the support or maintenance, attorney fees, and costs. If a petition is filed under this subdivision concerning child support and a claim is made under chapter 270A with respect to the individual's refund and notices of both are received before the time when payment of the refund is made on either claim, the claim relating to the liability that accrued first in time must be paid first. The amount of the refund remaining must then be applied to the other claim.

Sec. 5. Minnesota Statutes 1992, 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, 1991, ~~unless, during that period, a Minnesota homestead application is filed for property in which the individual has an interest if the qualified individual notifies the county within three months of moving out of the country that homestead status be revoked for the Minnesota residence of the qualified individual, and the property is not classified as a homestead while the individual remains a qualified individual;~~ 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. 6. Minnesota Statutes 1992, 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(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 net income of a real estate investment trust as defined and limited by section 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust taxable income as defined in section 857(b)(2) 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, 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, and the provisions of sections 7811, 7816, and 7831 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, 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, the provisions of sections 7815 and 7821 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, and the provisions of section 11702 of the Revenue Reconciliation Act of 1990, Public Law Number 101-508, 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. The provisions of sections 7101, 7102, 7104, 7105, 7201, 7202, 7203, 7204, 7205, 7206, 7207, 7210, 7211, 7301, 7302, 7303, 7304, 7601, 7621, 7622, 7641, 7642, 7645, 7647, 7651, and 7652 of the Omnibus Budget Reconciliation Act of 1989, Public Law Number 101-239, the provision of section 1401 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Public Law Number 101-73, and the provisions of sections 11701 and 11703 of the Revenue Reconciliation Act of 1990, Public Law Number 101-508, shall become effective at the time they become effective for federal tax purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1989, shall be in effect for taxable years beginning after December 31, 1989. The provisions of sections 11321, 11322, 11324, 11325, 11403, 11404, 11410, and 11521 of the Revenue Reconciliation Act of 1990, Public Law Number 101-508, shall become effective at the time they become effective for federal purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1990, shall be in effect for taxable years beginning after December 31, 1990.

The Internal Revenue Code of 1986, as amended through December 31, 1991, shall be in effect for taxable years beginning after December 31, 1991.

The provisions of sections 1936 and 1937 of the Comprehensive National Energy Policy Act of 1992, Public Law Number 102-486, shall become effective at the time they become effective for federal purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1992, shall be in effect for taxable years beginning after December 31, 1992.

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19a to 19g mean the code in effect for purposes of determining net income for the applicable year.

Sec. 7. Minnesota Statutes 1992, 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, 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, or the fund of the regulated investment company as defined in section 851(h) of the Internal Revenue Code, making the payment; and

(iii) for the purposes of items (i) and (ii), interest on obligations of an Indian tribal government described in section 7871(c) of the Internal Revenue Code shall be treated as interest income on obligations of the state in which the tribe is located;

(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. For the purpose of this paragraph, the disallowance of itemized deductions under section 68 of the Internal Revenue Code of 1986, income tax is the last itemized deduction disallowed; 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; and

(4) the amount of income taxes paid or accrued within the taxable year under this chapter and income taxes paid to any other state or any province or territory of Canada, to the extent allowed as a deduction in determining federal adjusted gross income. For the purpose of this paragraph, income taxes do not include the taxes imposed by sections 290.0922, subdivision 1, paragraph (b), 290.9727, 290.9728, and 290.9729; and

(5) the amount of any deduction taken under section 162(a)(1) of the Internal Revenue Code for the taxable year for wages, salary, and bonuses in excess of \$1,000,000 paid to any employee except a person who is employed by the taxpayer as a professional athlete.

Sec. 8. Minnesota Statutes 1992, 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; or Indian tribal governments;

- (3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code;
- (4) the amount of any windfall profits tax deducted under section 164 or 471 of the Internal Revenue Code;
- (5) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss deduction under section 810 of the Internal Revenue Code;
- (6) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 of the Internal Revenue Code;
- (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;
- (9) the amount of any charitable contributions deducted for federal income tax purposes under section 170 of the Internal Revenue Code;
- (10) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code;
- (11) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code;
- (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); and
- (14) the amount of any deduction taken under section 162(a)(1) of the Internal Revenue Code for the taxable year for wages, salary, and bonuses in excess of \$1,000,000 paid to any employee except a person who is employed by the taxpayer as a professional athlete.

Sec. 9. Minnesota Statutes 1992, section 290.0671, subdivision 1, is amended to read:

Subdivision 1. [CREDIT ALLOWED.] An individual is allowed a credit against the tax imposed by this chapter equal to ~~ten~~ 15 percent of the credit for which the individual is eligible under section 32 of the Internal Revenue Code of 1986, as amended through December 31, 1991.

For a nonresident or part-year resident, the credit determined under section 32 of the Internal Revenue Code of 1986, as amended through December 31, 1991, must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

For a person who was a resident for the entire tax year and has earned income not subject to tax under this chapter, the credit must be allocated based on the ratio of federal adjusted gross income reduced by the earned income not subject to tax under this chapter over federal adjusted gross income.

Sec. 10. Minnesota Statutes 1992, section 290.091, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of the tax imposed by this section, the following terms have the meanings given:

(a) "Alternative minimum taxable income" means the sum of the following for the taxable year:

(1) the taxpayer's federal alternative minimum taxable income as defined in section 55(b)(2) of the Internal Revenue Code;

(2) the taxpayer's itemized deductions allowed in computing federal alternative minimum taxable income, but excluding the Minnesota charitable contribution deduction and non-Minnesota charitable deductions to the extent they are included in federal alternative minimum taxable income under section 57(a)(6) of the Internal Revenue Code, and excluding the medical expense deduction;

(3) for depletion allowances computed under section 613A(c) of the Internal Revenue Code, with respect to each property (as defined in section 614 of the Internal Revenue Code), to the extent not included in federal alternative minimum taxable income, the excess of the deduction for depletion allowable under section 611 of the Internal Revenue Code for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year);

(4) to the extent not included in federal alternative minimum taxable income, the amount of the tax preference for intangible drilling cost under section 57(a)(2) of the Internal Revenue Code determined without regard to subparagraph (E);

(5) to the extent not included in federal alternative minimum taxable income, the amount of interest income as provided by section 290.01, subdivision 19a, clause (1); less the sum of

(i) interest income as defined in section 290.01, subdivision 19b, clause (1);

(ii) an overpayment of state income tax as provided by section 290.01, subdivision 19b, clause (2); and

(iii) the amount of investment interest paid or accrued within the taxable year on indebtedness to the extent that the amount does not exceed net investment income, as defined in section 163(d)(4) of the Internal Revenue Code. Interest does not include amounts deducted in computing federal adjusted gross income.

In the case of an estate or trust, alternative minimum taxable income must be computed as provided in section 59(c) of the Internal Revenue Code.

(b) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, ~~1991~~ 1992.

(c) "Investment interest" means investment interest as defined in section 163(d)(3) of the Internal Revenue Code.

(d) "Tentative minimum tax" equals seven percent of alternative minimum taxable income after subtracting the exemption amount determined under subdivision 3.

(e) "Regular tax" means the tax that would be imposed under this chapter (without regard to this section and section 290.032), reduced by the sum of the nonrefundable credits allowed under this chapter.

(f) "Net minimum tax" means the minimum tax imposed by this section.

(g) "Minnesota charitable contribution deduction" means a charitable contribution deduction under section 170 of the Internal Revenue Code to or for the use of an entity described in section 290.21, subdivision 3, clauses (a) to (e).

Sec. 11. Minnesota Statutes 1992, section 290.091, subdivision 6, is amended to read:

Subd. 6. [CREDIT FOR PRIOR YEARS' LIABILITY.] (a) A credit is allowed against the tax imposed by this chapter on individuals, trusts, and estates equal to the minimum tax credit for the taxable year. The minimum tax credit equals the adjusted net minimum tax for taxable years beginning after December 31, 1988, reduced by the minimum tax credits allowed in a prior taxable year. The credit may not exceed the excess (if any) for the taxable year of

(1) the regular tax, over

(2) the greater of (i) the tentative alternative minimum tax, or (ii) zero.

(b) The adjusted net minimum tax for a taxable year equals the lesser of the net minimum tax or the excess (if any) of

(1) the tentative minimum tax, over

(2) seven percent of the sum of

(i) adjusted gross income as defined in section 62 of the Internal Revenue Code,

(ii) interest income as defined in section 290.01, subdivision 19a, clause (1),

(iii) interest on specified private activity bonds, as defined in section 57(a)(5) of the Internal Revenue Code, to the extent not included under clause (ii),

(iv) depletion as defined in section 57(a)(1), determined without regard to the last sentence of paragraph (1), of the Internal Revenue Code, less

(v) the deductions provided in clauses (3)(i), (3)(ii), and (3)(iii) of subdivision 2, paragraph (a), and

(vi) the exemption amount determined under subdivision 3.

In the case of an individual who is not a Minnesota resident for the entire year, adjusted net minimum tax must be multiplied by the fraction defined in section 290.06, subdivision 2c, paragraph (e). In the case of a trust or estate, adjusted net minimum tax must be multiplied by the fraction defined under subdivision 4, paragraph (b).

Sec. 12. Minnesota Statutes 1992, section 290.0921, subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE MINIMUM TAXABLE INCOME.] "Alternative minimum taxable income" is Minnesota net income as defined in section 290.01, subdivision 19, and includes the adjustments and tax preference items in sections 56, 57, 58, and 59(d), (e), (f), and (h) of the Internal Revenue Code. If a corporation files a separate company Minnesota tax return, the minimum tax must be computed on a separate company basis. If a corporation is part of a tax group filing a unitary return, the minimum tax must be computed on a unitary basis. The following adjustments must be made.

(1) For purposes of the depreciation adjustments under section 56(a)(1) and 56(g)(4)(A) of the Internal Revenue Code, the basis for depreciable property placed in service in a taxable year beginning before January 1, 1990, is the adjusted basis for federal income tax purposes, including any modification made in a taxable year under section 290.01, subdivision 19e, or Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c).

(2) The alternative tax net operating loss deduction under sections 56(a)(4) and 56(d) of the Internal Revenue Code does not apply.

(3) The special rule for certain dividends under section 56(g)(4)(C)(ii) of the Internal Revenue Code does not apply.

(4) The special rule for dividends from section 936 companies under section 56(g)(4)(C)(iii) does not apply.

(5) The tax preference for depletion under section 57(a)(1) of the Internal Revenue Code does not apply.

(6) The tax preference for intangible drilling costs under section 57(a)(2) of the Internal Revenue Code must be calculated without regard to subparagraph (E) and the subtraction under section 290.01, subdivision 19d, clause (4).

(7) The tax preference for tax exempt interest under section 57(a)(5) of the Internal Revenue Code does not apply.

(8) The tax preference for charitable contributions of appreciated property under section 57(a)(6) of the Internal Revenue Code does not apply.

(9) For purposes of calculating the tax preference for accelerated depreciation or amortization on certain property placed in service before January 1, 1987, under section 57(a)(7) of the Internal Revenue Code, the deduction allowable for the taxable year is the deduction allowed under section 290.01, subdivision 19e.

(10) For purposes of calculating the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code, the term "alternative minimum taxable income" as it is used in section 56(g) of the Internal Revenue Code, means alternative minimum taxable income as defined in this subdivision, determined without regard to the adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code.

(11) For purposes of determining the amount of adjusted current earnings under section 56(g)(3) of the Internal Revenue Code, no adjustment shall be made under section 56(g)(4) of the Internal Revenue Code with respect to (i) the amount of foreign dividend gross-up subtracted as provided in section 290.01, subdivision 19d, clause (1), (ii) the amount of refunds of income, excise, or franchise taxes subtracted as provided in section 290.01, subdivision 19d, clause (10), or (iii) the amount of royalties, fees or other like income subtracted as provided in section 290.01, subdivision 19d, clause (11).

Items of tax preference must not be reduced below zero as a result of the modifications in this subdivision.

Sec. 13. Minnesota Statutes 1992, section 290.191, subdivision 4, is amended to read:

Subd. 4. [APPORTIONMENT FORMULA FOR CERTAIN MAIL ORDER BUSINESSES.] If the business of a corporation, partnership, or proprietorship consists exclusively of the selling of tangible personal property and services in response to orders received by United States mail or telephone, and 99 percent of the taxpayer's property and payroll is within Minnesota, then the taxpayer may apportion net income to Minnesota based solely upon the percentage that the sales made within this state in connection with the its trade or business during the tax period are of the total sales wherever made in connection with the trade or business during the tax period. Property and payroll factors are disregarded. In determining eligibility for this subdivision:

(1) the sale not in the ordinary course of business of tangible or intangible assets used in conducting business activities must be disregarded; and

(2) property and payroll at a distribution center outside of Minnesota are disregarded if the sole activity at the distribution center is the filling of orders, and no solicitation of orders occurs at the distribution center.

Sec. 14. [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, 1992" for the words "Internal Revenue Code of 1986, as amended through December 31, 1991" where the phrase occurs in chapters 289A, 290, 290A, 291, and 297, except for section 290.01, subdivision 19, and for the words "Internal Revenue Code of 1986, as amended through December 31, 1988," where the phrase occurs in chapter 298. 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, 1992," for references to the Internal Revenue Code of 1954 or the Internal Revenue Code of 1986, as amended through dates set in sections 61A.276; 82A.02; 136.58; 181B.02; 181B.07; 246A.23; 246A.26, subdivisions 1, 2, 3, and 4; 272.02, subdivision 1; 273.11, subdivision 8; 297A.01, subdivision 3; 297A.25, subdivision 25; 352.01, subdivision 2b; 354A.021, subdivision 5; 355.01, subdivision 9; and 356.62.

Sec. 15. [EFFECTIVE DATE.]

Section 2 is effective for payments received after December 31, 1993.

Section 3 is effective for tax years beginning after December 31, 1993.

Sections 5 to 14 are effective for tax years beginning after December 31, 1992.

## ARTICLE 6

### SALES AND SPECIAL TAXES

Section 1. [17.451] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 and 2.

Subd. 2. [FARMED CERVIDAE.] "Farmed cervidae" means members of the cervidae family that are:

(1) raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock;

(2) held in a constructed enclosure designed to prevent escape; and

(3) registered in a manner approved by the board of animal health and marked or identified with a unique number or other system approved by the board.

Subd. 3. [OWNER.] "Owner" means a person who owns or is responsible for the raising of farmed cervidae.

Sec. 2. [17.452] [FARM-RAISED CERVIDAE.]

Subdivision 1. [PROMOTION AND COORDINATION.] (a) The commissioner shall promote the commercial raising of farmed cervidae and shall coordinate programs and rules related to the commercial raising of farmed cervidae. Farmed cervidae research, projects, and demonstrations must be reported to the commissioner before state appropriations for the research projects or demonstrations are encumbered. The commissioner shall maintain a data base of information on raising farmed cervidae.

(b) The commissioner shall appoint a farmed cervidae advisory committee to advise the commissioner on farmed cervidae issues. The advisory committee shall consist of representatives from the University of Minnesota, the commissioner of agriculture, the board of animal health, the commissioner of natural resources, the commissioner of trade and economic development, a statewide elk breeders association, a statewide deer breeders association, a statewide deer farmers association, and members of the house of representatives and the senate. The committee shall meet at least twice a year at the call of the commissioner of agriculture.

Subd. 2. [DEVELOPMENT PROGRAM.] The commissioner may establish a Minnesota development and aid program that may support applied research, demonstration, financing, marketing, promotion, breeding development, registration, and other services for owners.

Subd. 3. [REPORT.] The commissioner shall include information on farmed cervidae in the department's statistical reports on Minnesota agriculture.

Subd. 4. [FARMED CERVIDAE ARE LIVESTOCK.] Farmed cervidae are livestock and are not wild animals for purposes of game farm, hunting, or wildlife laws. Farmed cervidae and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 5. [RAISING FARMED CERVIDAE IS AN AGRICULTURAL PURSUIT.] Raising farmed cervidae is agricultural production and an agricultural pursuit.

Subd. 6. [RUNNING AT LARGE PROHIBITED.] (a) An owner may not allow farmed cervidae to run at large. The owner must make all reasonable efforts to return escaped farmed cervidae to their enclosures as soon as possible. The owner must notify the commissioner of natural resources of the escape of farmed red deer if the farmed red deer are not returned or captured by the owner within 72 hours of their escape.

(b) An owner is liable for expenses of another person in capturing, caring for, and returning farmed cervidae that have left their enclosures if the person capturing the farmed cervidae contacts the owner as soon as possible.

(c) If an owner is unwilling or unable to capture escaped farmed cervidae, the commissioner of natural resources may destroy the escaped farmed cervidae under this paragraph if the escaped farmed cervidae are a threat to the health or population of native species. The commissioner must allow the owner to attempt to capture the escaped farmed cervidae prior to destroying the farmed cervidae. Farmed cervidae that are not captured by 14 days after escape may be destroyed.

(d) The owner must notify the commissioner of natural resources of the escape of farmed cervidae from a quarantined herd if the farmed cervidae are not returned to or captured by the owner within 72 hours of their escape. The escaped farmed cervidae from the quarantined herd may be destroyed by the commissioner of natural resources if the escaped farmed cervidae are a threat to the health or population of native species.

Subd. 7. [FARMING IN NATIVE ELK AREA.] A person may not raise farmed red deer in the native elk area without written approval of the commissioner of natural resources. The native elk area is the area north of U.S. Highway 2 and west of U.S. Highway 71 and trunk highway 72. The commissioner shall review the proposed farming operation and approve with any condition or deny approval based on risks to the native elk population.

Subd. 8. [SLAUGHTER.] Farmed cervidae must be slaughtered and inspected in accordance with the United States Department of Agriculture voluntary program for exotic animals, Code of Federal Regulations, title 9, part 352.

Subd. 9. [SALES OF FARMED CERVIDAE AND MEAT PRODUCTS.] Persons selling or buying farmed cervidae sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 31, 31A, and 31B.

Subd. 10. [FENCING.] (a) Farmed cervidae must be confined in a manner designed to prevent escape. Fencing must meet the requirements in this subdivision unless an alternative is specifically approved by the commissioner. The board of animal health shall follow the guidelines established by the United States Department of Agriculture in the program for eradication of bovine tuberculosis. Fencing must be of the following heights:

(1) for farmed deer, at least 75 inches; and

(2) for farmed elk, at least 90 inches.

(b) The farmed cervidae advisory committee shall establish guidelines designed to prevent the escape of farmed cervidae and other appropriate management practices.

(c) The commissioner of agriculture in consultation with the commissioner of natural resources shall adopt rules prescribing fencing criteria for farmed cervidae.

Subd. 11. [DISEASE INSPECTION.] Farmed cervidae herds are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

Subd. 12. [IDENTIFICATION.] (a) Farmed cervidae must be identified by brands, markings, tags, collars, electronic implants, tattoos, or other means of identification approved by the board of animal health. The board shall authorize discrete permanent identification for farmed cervidae in public displays or other forums where visible identification is objectionable.

(b) Identification of farmed cervidae is subject to sections 35.821 to 35.831.

(c) The board of animal health shall register farmed cervidae upon request of the owner. The owner must submit the registration request on forms provided by the board. The forms must include sales receipts or other documentation of the origin of the cervidae. The board shall provide copies of the registration information to the commissioner of natural resources upon request. The owner must keep written records of the acquisition and disposition of registered farmed cervidae.

Subd. 13. [INSPECTION.] The commissioner of agriculture and the board of animal health may inspect farmed cervidae and farmed cervidae records. The commissioner of natural resources may inspect farmed cervidae and farmed cervidae records with reasonable suspicion that laws protecting native wild animals have been violated. The owner must be notified in writing at the time of the inspection of the reason for the inspection and informed in writing after the inspection of whether (1) the cause of the inspection was unfounded; or (2) there will be an ongoing investigation or continuing evaluation.

Subd. 14. [CONTESTED CASE HEARING.] A person raising farmed cervidae that is aggrieved with any decision regarding the farmed cervidae may request a contested case hearing under chapter 14.

Sec. 3. [17.453] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 3 and 4.

Subd. 2. [OWNER.] "Owner" means a person who owns or is responsible for the raising of ratitae.

Subd. 3. [RATITAE.] "Ratitae" means members of the ratitae family (including ostriches, emus, and rheas) that are raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.

Sec. 4. [17.454] [RATITAE.]

Subdivision 1. [RATITAE ARE LIVESTOCK.] Ratitae are livestock and are not wild animals for purposes of hunting or wildlife laws. Ratitae and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 2. [RAISING RATITAE IS AN AGRICULTURAL PURSUIT.] Raising ratitae is agricultural production and an agricultural pursuit.

Subd. 3. [SALES OF RATITAE AND MEAT PRODUCTS.] Persons selling or buying ratitae sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.

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

Subd. 5. [DISEASE INSPECTION.] Ratitae are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

Sec. 5. [17.455] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 5 and 6.

Subd. 2. [LLAMA.] "Llama" means a member of the genus lama that is raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.

Subd. 3. [OWNER.] "Owner" means a person who owns or is responsible for the raising of llamas.

Sec. 6. [17.456] [LLAMA.]

Subdivision 1. [LLAMAS ARE LIVESTOCK.] Llamas are livestock and are not wild animals for purposes of hunting or wildlife laws. Llamas and their products are farm products and livestock for purposes of financial transactions and collateral.

Subd. 2. [RAISING LLAMAS IS AN AGRICULTURAL PURSUIT.] Raising llamas is agricultural production and an agricultural pursuit.

Subd. 3. [SALES OF LLAMAS AND MEAT PRODUCTS.] Persons selling or buying llamas sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.

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

Subd. 5. [DISEASE INSPECTION.] Llamas are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.

Sec. 7. Minnesota Statutes 1992, section 17A.03, subdivision 5, is amended to read:

Subd. 5. [LIVESTOCK.] "Livestock" means cattle, sheep, swine, horses intended for slaughter, mules, farmed cervidae, as defined in section 17.451, subdivision 2, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, and goats.

Sec. 8. Minnesota Statutes 1992, section 31.51, subdivision 9, is amended to read:

Subd. 9. "Animal" means cattle, swine, sheep, goats, farmed cervidae, as defined in section 17.451, subdivision 2, horses, mules or other equines, llamas as defined in section 17.455, subdivision 2, and ratitae, as defined in section 17.453, subdivision 3.

Sec. 9. Minnesota Statutes 1992, section 31A.02, subdivision 4, is amended to read:

Subd. 4. [ANIMALS.] "Animals" means cattle, swine, sheep, goats, farmed cervidae, as defined in section 17.451, subdivision 2, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, horses, equines, and other large domesticated animals, not including poultry.

Sec. 10. Minnesota Statutes 1992, section 31A.02, subdivision 10, is amended to read:

Subd. 10. [MEAT FOOD PRODUCT.] "Meat food product" means a product usable as human food and made wholly or in part from meat or a portion of the carcass of cattle, sheep, swine, farmed cervidae, as defined in section 17.451, subdivision 2, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, or goats. "Meat food product" does not include products which contain meat or other portions of the carcasses of cattle, sheep, swine, farmed cervidae, llamas, ratitae, or goats only in a relatively small proportion or that historically have not been considered by consumers as products of the meat food industry, and which are exempted from definition as a meat food product by the commissioner under the conditions the commissioner prescribes to assure that the meat or other portions of carcasses contained in the products are not adulterated and that the products are not represented as meat food products.

"Meat food product," as applied to products of equines, has a meaning comparable to that for cattle, sheep, swine, farmed cervidae, llamas, ratitae, and goats.

Sec. 11. Minnesota Statutes 1992, section 31B.02, subdivision 4, is amended to read:

Subd. 4. [LIVESTOCK.] "Livestock" means live or dead cattle, sheep, swine, horses, mules, farmed cervidae, as defined in section 17.451, subdivision 2, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, or goats.

Sec. 12. Minnesota Statutes 1992, section 35.821, subdivision 4, is amended to read:

Subd. 4. [MARK.] "Mark" means a permanent identification cut from the ear or ears of a live animal and for farmed cervidae, as defined in section 17.451, subdivision 2, means a tag, collar, electronic implant, tattoo, or other means of identification approved by the board.

Sec. 13. Minnesota Statutes 1992, section 115B.22, subdivision 7, is amended to read:

Subd. 7. [DISPOSITION OF PROCEEDS.] After reimbursement to the department of revenue for costs incurred in administering sections 115B.22 and 115B.24, the proceeds of the taxes imposed under this section including any interest and penalties shall be deposited in the environmental response, compensation, and compliance account.

Sec. 14. Minnesota Statutes 1992, section 239.785, is amended to read:

239.785 [LIQUEFIED PETROLEUM GAS SALES.]

Subdivision 1. [LIABILITY FOR PAYMENT.] (a) The operator of a terminal that sells located in Minnesota from which liquefied petroleum gas for resale to retail customers is dispensed for use or sale in this state other than for delivery to another terminal shall pay a fee equal to one mill for each gallon of liquefied petroleum gas sold by the terminal dispensed.

(b) Any person in Minnesota, other than the operator of a terminal, receiving liquefied petroleum gas from a source outside of Minnesota for use or sale in this state shall pay a fee equal to one mill for each gallon of liquefied petroleum gas received.

Subd. 2. [DUE DATES FOR FILING OF RETURNS AND PAYMENT.] The fee must be remitted monthly to on a form prescribed by the commissioner of revenue for deposit in the general fund. The fee must be paid and the return filed on or before the 23rd day of each month following the month in which the liquefied petroleum gas was delivered or received.

Subd. 3. [PENALTIES.] An operator or person who fails to pay the fee imposed under this section is subject to the penalties provided in sections 296.15 and 296.25.

Subd. 4. [COMMISSIONER'S AUTHORITY.] The provisions of chapter 296 relating to the commissioner's authority to audit, assess, and collect the tax imposed by that chapter apply to the fee imposed by this section.

Subd. 5. [INTEREST.] Fees and penalties are subject to interest at the rate provided in section 270.75.

Sec. 15. Minnesota Statutes 1992, section 289A.56, subdivision 3, is amended to read:

Subd. 3. [WITHHOLDING TAX, ENTERTAINER WITHHOLDING TAX, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, ESTATE TAX, AND SALES TAX OVERPAYMENTS.] When a refund is due for overpayments of withholding tax, entertainer withholding tax, withholding from payments to out-of-state contractors, ~~or estate tax, or sales tax,~~ interest is computed from the date of payment to the date the refund is paid or credited. For purposes of this subdivision, the date of payment is the later of the date the tax was finally due or was paid.

For purposes of computing interest on sales and use tax refunds, interest is paid from the date of payment to the date the refund is paid or credited, if the refund claim includes a detailed schedule reflecting the tax periods covered in the claim. If the refund claim submitted does not include a detailed schedule reflecting the tax periods covered in the claim, interest is computed from the date the claim was filed.

Sec. 16. Minnesota Statutes 1992, section 289A.63, subdivision 3, is amended to read:

Subd. 3. [SALES WITHOUT PERMIT; VIOLATIONS.] (a) A person who engages in the business of making retail sales in Minnesota without the permit ~~or permits~~ required under chapter 297A, or a responsible officer of a corporation who so engages in business, is guilty of a gross misdemeanor.

(b) A person who engages in the business of making retail sales in Minnesota after revocation of a permit under section 297A.07, when the commissioner has not issued a new permit, is guilty of a felony.

Sec. 17. Minnesota Statutes 1992, section 296.01, is amended by adding a subdivision to read:

Subd. 38. [PASSENGER SNOWMOBILE.] "Passenger snowmobile" means a self-propelled vehicle designed for travel on snow or ice, steered by skis or runners, with an enclosed passenger section that provides seating for not less than four nor more than twelve passengers.

Sec. 18. Minnesota Statutes 1992, section 296.02, subdivision 8, is amended to read:

Subd. 8. [CREDITS FOR SALES TO GOVERNMENTS AND SCHOOLS.] A distributor shall be allowed a credit of 80 cents for every gallon of fuel grade alcohol blended with gasoline to produce agricultural alcohol gasoline which is sold to the state, local units of government, or for use in the transportation of pupils to and from school-related events in ~~school~~ vehicles owned by or under contract to a school district. This reduction is in lieu of the reductions provided in subdivision 7.

Sec. 19. [296.035] [CREDIT FOR CERTAIN FUELS.]

A licensed distributor or a special fuels dealer, either of which elect to pay the tax under section 296.12, subdivision 3a, at the time special fuel is sold or delivered into the supply tank of an aircraft or licensed motor vehicle, is allowed a credit of ten cents per gallon for each gallon of diesel fuel manufactured from rerefined waste oil and sold or delivered into the supply tank of an aircraft or licensed motor vehicle. A licensed distributor is allowed a credit of ten cents per gallon for each gallon of diesel fuel manufactured from rerefined waste oil and delivered into the storage tank of a retail service station operated by the distributor or a special fuel dealer, if either the distributor or special fuel dealer does not elect to pay the tax under section 296.12, subdivision 3a, at the time the special fuel is sold or delivered into the supply tank of an aircraft or licensed motor vehicle.

Sec. 20. Minnesota Statutes 1992, section 296.18, subdivision 1, is amended to read:

Subdivision 1. [CLAIM; FUEL USED IN OTHER VEHICLES.] Any person who shall buy and use gasoline for a qualifying purpose other than use in motor vehicles, snowmobiles except as provided in clause (2), 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 1986, as amended through December 31, 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" includes use of a passenger snowmobile off the public highways as part of the operations of a resort as defined in section 157.01, subdivision 1. "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. 21. Minnesota Statutes 1992, section 297A.01, subdivision 6, is amended to read:

Subd. 6. "Use" includes the exercise of any right or power over tangible personal property, or tickets or admissions to places of amusement or athletic events, purchased from a retailer incident to the ownership of any interest in that property, except that it does not include the sale of that property in the regular course of business.

"Use" includes the consumption of printed materials which are consumed in the creation of nontaxable advertising that is distributed, either directly or indirectly, within Minnesota.

Sec. 22. Minnesota Statutes 1992, section 297A.01, subdivision 13, is amended to read:

Subd. 13. "Agricultural production," as used in section 297A.25, subdivision 9, includes, but is not limited to, horticulture; floriculture; raising of pets, fur bearing animals, research animals, farmed cervidae, as defined in section 17.451, subdivision 2, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, and horses.

Sec. 23. Minnesota Statutes 1992, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories, and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" includes:

(1) machinery for the preparation, seeding or cultivation of soil for growing agricultural crops and sod, harvesting and threshing of agricultural products, harvesting or mowing of sod, and certain machinery for dairy, livestock and poultry farms;

(2) barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations, whether or not the equipment is installed by the seller and becomes part of the real property;

(3) irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property;

(4) logging equipment, including chain saws used for commercial logging; and

(5) fencing used for the containment of farmed cervidae, as defined in section 17.451, subdivision 2; and

(6) primary and backup generator units used to generate electricity for the purpose of operating farm machinery, as defined in this subdivision, or providing light or space heating necessary for the production of livestock, dairy animals, dairy products, or poultry and poultry products.

Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material except fencing material covered by clause (5), communication equipment and other farm supplies shall not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers except those used in the production of sod for sale, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines.

Sec. 24. Minnesota Statutes 1992, section 297A.01, subdivision 16, is amended to read:

Subd. 16. [CAPITAL EQUIPMENT.] (a) Capital equipment means machinery and equipment and the materials and supplies necessary to construct or install the machinery or equipment. To qualify under this definition the capital equipment must be used by the purchaser or lessee for manufacturing, fabricating, mining, quarrying, or refining a product tangible personal property, for electronically transmitting results retrieved by a customer of an on-line computerized data retrieval system, or for the generation of electricity or steam, to be sold at retail and must be used for the establishment of a new or the physical expansion of an existing manufacturing, fabricating, mining, quarrying, or refining facility in the state. For purposes of this subdivision, "mining" includes peat mining, and "on-line computerized data retrieval system" refers to a system whose cumulation of information is equally available and accessible to all its customers.

(b) Capital equipment does not include the following:

(1) machinery or equipment purchased or leased to replace machinery or equipment performing substantially the same function in an existing facility;

(2) repair or replacement parts, or including accessories, whether purchased as spare parts, repair parts, or as upgrades or modifications, and whether purchased before or after the machinery or equipment is placed into service. Parts or accessories are treated as capital equipment only to the extent that they are a part of and are essential to the operation of the machinery or equipment as initially purchased;

(3) machinery or equipment used to receive or store raw materials;

(4) building materials, including materials used for foundations that support machinery or equipment;

(5) machinery or equipment used for nonproduction purposes, including, but not limited to, the following: machinery and equipment used for plant security, fire prevention, first aid, and hospital stations; machinery and equipment used in support operations or for administrative purposes; machinery and equipment used solely for pollution control, prevention, or abatement; machinery and equipment used for environmental control, except that when a controlled environment is essential for the manufacture of a particular product, the machinery or equipment that controls the environment can qualify as capital equipment; and machinery and equipment used in plant cleaning, disposal of scrap and waste, plant communications, lighting, or safety;

(6) "farm machinery" as defined by section 297A.01, subdivision 15, "special tooling" as defined by section 297A.01, subdivision 17, and "aquaculture production equipment" as defined by section 297A.01, subdivision 19; or

(7) any other item that is not essential to the integrated process of manufacturing, fabricating, mining, quarrying, or refining.

(c) For purposes of this subdivision:

(1) the requirement that the machinery or equipment "must be used by the purchaser or lessee" means that the person who purchases or leases the machinery or equipment must be the one who uses it for the qualifying purpose. When a contractor buys and installs machinery or equipment as part of an improvement to real property, only the contractor is considered the purchaser;

(2) the requirement that the machinery and equipment must be used "for manufacturing, fabricating, mining, quarrying, or refining" means that the machinery or equipment must be essential to the integrated process of manufacturing, fabricating, mining, quarrying, or refining. Neither legal requirements nor practical necessity determines whether or not the equipment is essential to the integrated process;

(3) "facility" means a coordinated group of fixed assets, which may include land, buildings, machinery, and equipment that are essential to and used in an integrated manufacturing, fabricating, refining, mining, or quarrying process;

(4) "establishment of a new facility" means the construction of a facility, or the purchase by a new owner of a facility that was previously closed and not operational for a period of at least 12 consecutive months. Relocating operations from an existing facility within Minnesota to another facility within Minnesota does not constitute establishing a new facility;

(5) "physical expansion of an existing facility" means adding a new production line, adding new machinery or equipment to an existing production line, new construction which will become part of the existing facility and which is used for a qualifying activity, or conversion of an area in an existing facility from a nonqualifying activity to a qualifying activity; and

(6) performing "substantially the same function" means that the new machinery or equipment serves fundamentally or essentially the same purpose as did the old equipment or that it produces the same or similar end product, even though it may increase speed, efficiency, or production capacity.

(d) Notwithstanding prior provisions of this subdivision, machinery and equipment purchased or leased to replace machinery and equipment used in the mining or production of taconite shall qualify as capital equipment regardless of whether the facility has been expanded.

Sec. 25. Minnesota Statutes 1992, section 297A.04, is amended to read:

297A.04 [APPLICATIONS; MEMBER; ~~VENDING MACHINES~~; FORM.]

Every person desiring to engage in the business of making retail sales within Minnesota shall file with the commissioner an application for a permit and if such person has more than one place of business, an application for each place of business must be filed. ~~A vending machine operator who has more than one vending machine location shall nevertheless be considered to have only one place of business for purposes of this section. An applicant who has no regular place of doing business and who moves from place to place shall be considered to have only one place of business and shall attach such permit to the applicant's cart, stand, truck or other merchandising device.~~ The commissioner may require any person or class of persons obligated to file a use tax return under section 289A.11, subdivision 3, to file application for a permit. Every application for a permit shall be made upon a form prescribed by the commissioner and shall set forth the name under which the applicant intends to transact business, the location of the applicant's place or places of business, and such other information as the commissioner may require. The application shall be filed by the owner, if a natural person; by a member or partner, if the owner ~~be~~ is an association or partnership; by a person authorized to ~~sign~~ file the application, if the owner ~~be~~ is a corporation.

Sec. 26. Minnesota Statutes 1992, 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 grant~~ grant to each applicant a ~~separate permit for each place of business within Minnesota.~~ A permit ~~shall be~~ is valid until canceled or revoked but ~~shall~~ is not be assignable and ~~shall be~~ is valid only for the person in whose name it is ~~issued granted~~ issued and for the transaction of business at the ~~place~~ places designated therein. It shall at all times be conspicuously displayed at the ~~place for which issued.~~

Sec. 27. Minnesota Statutes 1992, section 297A.07, subdivision 1, is amended to read:

Subdivision 1. [HEARINGS.] If any person fails to comply with this chapter or the rules adopted under this chapter, without reasonable cause, the commissioner may schedule a hearing requiring the person to show cause why the permit ~~or permits~~ should not be revoked. The commissioner must give the person 15 days' notice in writing, specifying the time and place of the hearing and the reason for the proposed revocation. The notice shall also advise

the person of the person's right to contest the revocation under this subdivision, the general procedures for a contested case hearing under chapter 14, and the notice requirement under subdivision 2. The notice may be served personally or by mail in the manner prescribed for service of an order of assessment.

Sec. 28. Minnesota Statutes 1992, section 297A.11, is amended to read:

297A.11 [CONTENT AND FORM OF EXEMPTION CERTIFICATE.]

The exemption certificate shall be signed by and bear the name and address of the purchaser, shall indicate the sales tax account number of the permit if any issued to the purchaser and shall indicate the general character of the property sold by the purchaser in the regular course of business and shall identify the property purchased. The certificate shall be substantially in such form as the commissioner may prescribe.

Sec. 29. Minnesota Statutes 1992, section 297A.136, is amended to read:

297A.136 [TAX ON 900 PAY-PER-CALL SERVICES.]

Subdivision 1. [TAX IMPOSED.] A tax of \$.50 is imposed for each call placed to a 900 service if the call for that service originates from and is charged to a telephone located in this state.

Subd. 2. [DEFINITIONS.] For the purposes of this section, the following definitions will apply:

(a) "900 service" means pay-per-call 900 information services provided through a telephone exchange, commonly accessed by dialing 1-900, 1-960, 1-976, or other similar prefix in which the calling party receives information from the 900 information provider, and the calling party is charged on a per call or per time basis for the information. The term does not include services provided through 1-800 service telephone numbers, information provided free of charge, or directory assistance service.

(b) "Calling party" means the person originating the call to the information provider.

(c) "900 information provider" means the person being called by the calling party, and who provides information services to the calling party on a per call or per time basis.

(d) "Person" shall have the same meaning as provided in section 297A.01, subdivision 2.

Subd. 3. [PAYMENT; ADMINISTRATION.] Liability for the tax imposed by this section is on the person making the call calling party. Liability for collection from the calling party is on the person providing access to a dial tone contracting with the 900 information provider to interconnect the information provider and the calling party, if such person bills the calling party. In all other instances, the person billing the calling party shall be liable for collecting the tax from the calling party. The tax imposed in this section must be reported and paid to the commissioner of revenue with the taxes imposed in this chapter. It is subject to the same interest, penalty, and other provisions provided for sales and use taxes under chapter 289A and this chapter. The commissioner has the same powers to assess and collect the tax that are given the commissioner in chapters 270 and 289A and this chapter to assess and collect sales and use tax.

Subd. 4. [EXEMPTION.] Pay-per-call information services provided through a 1-976 prefix are exempt from the tax imposed under this section if the charge for the call is less than \$1.

Sec. 30. Minnesota Statutes 1992, section 297A.14, subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION.] For the privilege of using, storing, distributing, or consuming in Minnesota tangible personal property or taxable services purchased for use, storage, distribution, or consumption in this state, a use tax is imposed on every person in this state at the rate of tax imposed under section 297A.02 on the sales price of sales at retail of the items, unless the tax imposed by section 297A.02 was paid on the sales price.

A use tax is imposed on every person who uses, stores, distributes, or consumes tangible personal property in Minnesota which has been manufactured, fabricated, or assembled by the person from materials, either within or without this state, at the rate of tax imposed under section 297A.02 on the sales price of sales at retail of the materials contained in the tangible personal property, unless the tax imposed by section 297A.02 was paid on the sales price.

Sec. 31. Minnesota Statutes 1992, section 297A.25, subdivision 3, is amended to read:

Subd. 3. [MEDICINES; MEDICAL DEVICES.] The gross receipts from the sale of prescribed drugs, prescribed medicine and insulin, intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings are exempt, together with prescription glasses, fever thermometers, therapeutic, and prosthetic devices. "Prescribed drugs" or "prescribed medicine" includes over-the-counter drugs or medicine prescribed by a licensed physician. "Therapeutic devices" includes reusable finger pricking devices for the extraction of blood ~~and~~ blood glucose monitoring machines, and other diagnostic agents used in the treatment of diagnosing, monitoring, or treating diabetes. Nonprescription analgesics consisting principally (determined by the weight of all ingredients) of acetaminophen, acetylsalicylic acid, ibuprofen, or a combination thereof are exempt.

Sec. 32. Minnesota Statutes 1992, section 297A.25, subdivision 7, is amended to read:

Subd. 7. [PETROLEUM PRODUCTS.] The gross receipts from the sale of and storage, use or consumption of the following petroleum products are exempt:

- (1) products upon which a tax has been imposed and paid under the provisions of chapter 296, and no refund has been or will be allowed because the buyer used the fuel for nonhighway use,
- (2) products which are used in the improvement of agricultural land by constructing, maintaining, and repairing drainage ditches, tile drainage systems, grass waterways, water impoundment, and other erosion control structures; ~~or~~
- (3) products purchased by a transit system receiving financial assistance under section 174.24 or 473.384; or
- (4) products used in a passenger snowmobile, as defined in section 296.01, subdivision 38, for off-highway business use as part of the operations of a resort as provided under section 296.18, subdivision 1, clause (2).

Sec. 33. Minnesota Statutes 1992, 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 colleges, state academies, the Minnesota center for arts education, and school districts are exempt.

As used in this subdivision, "school districts" means public school entities and districts of every kind and nature organized under the laws of the state of Minnesota, including, without limitation, school districts, intermediate school districts, education districts, educational cooperative service units, secondary vocational cooperative centers, special education cooperatives, joint purchasing cooperatives, telecommunication cooperatives, regional management information centers, technical colleges, joint vocational technical districts, and any instrumentality of a school district, as defined in section 471.59.

Sales exempted by this subdivision include sales under section 297A.01, subdivision 3, paragraph (f), but do not include sales under section 297A.01, subdivision 3, paragraph (j), clause (vii).

Sales to hospitals and nursing homes owned and operated by political subdivisions of the state are exempt under this subdivision.

The sales to and exclusively for the use of libraries, ~~as defined in section 134.001,~~ of books, periodicals, audio-visual materials and equipment, photocopiers for use by the public, and all cataloging and circulation equipment, and cataloging and circulation software for library use are exempt under this subdivision. For purposes of this paragraph "libraries" means libraries as defined in section 134.001, county law libraries under chapter 134A, the state library under section 480.09, and the legislative reference library.

Sales of supplies and equipment used in the operation of an ambulance service owned and operated by a political subdivision of the state are exempt under this subdivision provided that the supplies and equipment are used in the course of providing medical care; ~~motor vehicle parts are not exempt under this provision.~~ Sales to a political subdivision of repair and replacement parts for emergency rescue vehicles and fire trucks and apparatus are exempt under this subdivision.

Sales to a political subdivision of machinery and equipment, except for motor vehicles, used directly for mixed municipal solid waste collection and disposal services at a solid waste disposal facility as defined in section 115A.03, subdivision 10, are exempt under this subdivision.

Sales to political subdivisions of chore and homemaking services to be provided to elderly or disabled individuals are exempt.

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 the leasing of a motor vehicle as defined in section 297B.01, subdivision 5, except for leases entered into by the United States or its agencies or instrumentalities.

The tax imposed on sales to political subdivisions of the state under this section applies to all political subdivisions other than those explicitly exempted under this subdivision, notwithstanding section 115A.69, subdivision 6, 116A.25, 360.035, 458A.09, 458A.30, 458D.23, 469.101, subdivision 2, 469.127, 473.394, 473.448, 473.545, or 473.608 or any other law to the contrary enacted before 1992.

Sales to other states or political subdivisions of other states are exempt if the sale would be exempt from taxation if it occurred in that state.

Sec. 34. Minnesota Statutes 1992, 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 who are either (1) age 55 or older, or (2) physically disabled, 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. For purposes of this subdivision, charitable purpose includes the maintenance of a cemetery owned by a religious organization. Sales exempted by this subdivision include sales pursuant to section 297A.01, subdivision 3, paragraphs (d) and (f), but do not include sales under section 297A.01, subdivision 3, paragraph (j), clause (vii). 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 the leasing of a motor vehicle as defined in section 297B.01, subdivision 5.

Sec. 35. Minnesota Statutes 1992, section 297A.25, subdivision 34, is amended to read:

Subd. 34. [MOTOR VEHICLES.] The gross receipts from the sale or use of any motor vehicle taxable under the provisions of the motor vehicle excise tax laws of Minnesota shall be exempt from taxation under this chapter. Notwithstanding subdivision 11, the exemption provided under this subdivision remains in effect for motor vehicles purchased or leased by political subdivisions of the state if the vehicles are not subject to taxation under chapter 297B.

Sec. 36. Minnesota Statutes 1992, section 297A.25, subdivision 41, is amended to read:

Subd. 41. [BULLET-PROOF VESTS.] The gross receipts from the sale of bullet-resistant soft body armor that is flexible, concealable, and custom-fitted to provide the wearer with ballistic and trauma protection are exempt if purchased by a law enforcement agency of the state or a political subdivision of the state, or a licensed peace officer, as defined in section 626.84, subdivision 1. The bullet-resistant soft body armor must meet or exceed the requirements of standard 0101.01 of the National Institute of Law Enforcement and Criminal Justice in effect on December 30, 1986, or meet or exceed the requirements of the standard except wet armor conditioning.

Sec. 37. Minnesota Statutes 1992, section 297A.25, is amended by adding a subdivision to read:

Subd. 52. [PARTS AND ACCESSORIES USED TO MAKE A MOTOR VEHICLE HANDICAPPED ACCESSIBLE.] The gross receipts from the sale of parts and accessories that are used solely to modify a motor vehicle to make it handicapped accessible are exempt. Labor charges for modifying a motor vehicle to make it handicapped accessible are included in this exemption.

Sec. 38. [297A.253] [SATELLITE BROADCASTING FACILITY MATERIALS; EXEMPTIONS.]

Notwithstanding the provisions of this chapter, there shall be exempt from the tax imposed therein all materials and supplies or equipment used or consumed in constructing, or incorporated into the construction of, a new facility in Minnesota for providing federal communications commission licensed direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band or fixed satellite regional or national program services, as defined in section 272.02, subdivision 1, clause (15), construction of which was commenced after June 30, 1993, and all machinery, equipment, tools, accessories, appliances, contrivances, furniture, fixtures, and all technical equipment or tangible personal property of any other nature or description necessary to the construction and equipping of that facility in order to provide those services.

Sec. 39. [297A.2545] [STEEL REPROCESSOR; EXEMPTION FOR POLLUTION CONTROL EQUIPMENT.]

Notwithstanding the provisions of this chapter, the purchase of pollution control equipment by a steel reprocessing firm is exempt from the sales and use tax provided that the equipment is necessary to meet state or federal emission standards. For purposes of this section "pollution control equipment" means any equipment used for the purpose of eliminating, preventing, or reducing air, land, or water pollution during or as a result of the manufacturing process. "Steel reprocessing firm" means a firm whose primary business is the recovery of steel from automobiles, appliances, and other steel products and the rerefining of this recovered metal into new steel products.

Sec. 40. Minnesota Statutes 1992, section 298.75, subdivision 4, is amended to read:

Subd. 4. If any the county auditor has not received the report by the 15th day after the last day of each calendar quarter from the operator or importer fails to make the report as required by subdivision 3 or files has received an erroneous report, the county auditor shall determine estimate the amount of tax due and notify the operator or importer by registered mail of the amount of tax so determined estimated within the next 14 days. An operator or importer may, within 30 days from the date of mailing the notice, file in the office of the county auditor a written statement of objections to the amount of taxes determined to be due. The statement of objections shall be deemed to be a petition within the meaning of chapter 278, and shall be governed by sections 278.02 to 278.13.

Sec. 41. Minnesota Statutes 1992, section 298.75, subdivision 5, is amended to read:

Subd. 5. Failure to file the report and submit payment shall result in a penalty of \$5 for each of the first 30 days, beginning on the 14th 15th day after the date when the county auditor has sent notice to the operator or importer as provided in subdivision 4, during which the report is overdue and no statement of objection has been filed. For each subsequent day during last day of each calendar quarter, for which the report and payment is overdue due and no statement of objection has been filed as provided in subdivision 4, and a penalty of \$10 for each subsequent day shall be assessed against the operator or importer who is required to file the report. The penalties imposed by this subdivision shall be collected as part of the tax and credited to the county revenue fund. If neither the report nor a statement of objection has been filed after more than 60 days have elapsed from the date when the notice was sent, the operator or importer who is required to file the report is guilty of a misdemeanor.

Sec. 42. [349.2115] [SPORTS BOOKMAKING TAX.]

Subdivision 1. [IMPOSITION OF TAX.] An excise tax of six percent is imposed on the value of all bets received by, recorded by, accepted by, forwarded by, or placed with a person engaged in sports bookmaking.

Subd. 2. [BET DEFINED.] For purposes of this section, the term "bet" has the meaning given it in section 609.75, subdivision 2.

Subd. 3. [SPORTS BOOKMAKING DEFINED.] For purposes of this section, the term "sports bookmaking" has the meaning given it in section 609.75, subdivision 7.

Subd. 4. [AMOUNT OF BET.] In determining the value or amount of any bet for purposes of this section, all charges incident to the placing of the bet must be included.

Subd. 5. [TAX RETURNS.] A person engaged in sports bookmaking shall file monthly tax returns with the commissioner of revenue, in the form required by the commissioner, of all bookmaking activity, and shall include information on all bets recorded, accepted, forwarded, and placed. The returns must be filed on or before the 20th day of the month following the month in which the bets reported were recorded, accepted, forwarded, or placed. The tax imposed by this section is due and payable at the time when the returns are filed.

Subd. 6. [PERSONS LIABLE FOR TAX.] Each person who is engaged in receiving, recording, forwarding, or accepting sports bookmaking bets is liable for and shall pay the tax imposed under this section.

Subd. 7. [JEOPARDY ASSESSMENT; JEOPARDY COLLECTION.] The tax may be assessed by the commissioner of revenue. An assessment made pursuant to this section shall be considered a jeopardy assessment or jeopardy collection as provided in section 270.70. The commissioner shall assess the tax based on personal knowledge or information available to the commissioner. The commissioner shall mail to the taxpayer at the taxpayer's last known address, or serve in person, a written notice of the amount of tax, demand its immediate payment, and, if payment is not immediately made, collect the tax by any method described in chapter 270, except that the commissioner need not await the expiration of the times specified in chapter 270. The tax assessed by the commissioner is presumed to be valid and correctly determined and assessed.

Subd. 8. [DISCLOSURE PROHIBITED.] (a) Notwithstanding any law to the contrary, neither the commissioner nor a public employee may reveal facts contained in a sports bookmaking tax return filed with the commissioner of revenue as required by this section, nor can any information contained in the report or return be used against the tax obligor in any criminal proceeding, unless independently obtained, except in connection with a proceeding involving taxes due under this section, or as provided in section 270.064.

(b) Any person violating this section is guilty of a gross misdemeanor.

(c) This section does not prohibit the commissioner from publishing statistics that do not disclose the identity of tax obligors or the contents of particular returns or reports.

#### Sec. 43. [NOTIFICATION BY COUNTY AUDITOR.]

The county auditor shall notify each operator in the county who filed a report in the previous calendar year under Minnesota Statutes, section 298.75 of the changes made in sections 40 and 41 relating to the imposition of the penalty for late payment.

#### Sec. 44. [COOK COUNTY; SALES TAX.]

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

Subd. 2. [USE OF REVENUES.] Revenues received from taxes authorized by subdivision 1 shall be used by Cook county to pay the cost of collecting the tax and to pay all or a portion of the costs of expanding and improving the health care facility located in the county and known as North Shore hospital. Authorized costs include, but are not limited to, securing or paying debt service on bonds or other obligations issued to finance the expansion and improvement of North Shore hospital. The total capital expenditures payable from bond proceeds, excluding investment earnings on bond proceeds and tax revenues, shall not exceed \$4,000,000.

Subd. 3. [EXPIRATION OF TAXING AUTHORITY AND EXPENDITURE LIMITATION.] The authority granted by subdivision 1 to Cook county to impose a sales tax shall expire when the principal and interest on any bonds or obligations issued to finance the expansion and improvement of North Shore hospital have been paid, or at an earlier time as the county shall, by resolution, determine. Any funds remaining after completion of the improvements and retirement or redemption of the bonds may be placed in the general fund of the county.

Subd. 4. [BONDS.] Cook county may issue general obligation bonds in an amount not to exceed \$4,000,000 for the expansion and improvement of North Shore hospital, without election under Minnesota Statutes, chapter 475, on the question of issuance of the bonds or a property tax to pay them. The debt represented by bonds issued for the

expansion and improvement of North Shore hospital shall not be included in computing any debt limitations applicable to Cook county, and the levy of taxes required by Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds shall not be subject to any levy limitation or be included in computing or applying any levy limitation applicable to the county.

Subd. 5. [REFERENDUM.] If the governing body of Cook county intends to impose the sales tax authorized by this section, it shall conduct a referendum on the issue. The question of imposing the tax must be submitted to the voters at a special or general election. The tax may not be imposed unless a majority of votes cast on the question of imposing the tax are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the election. The referendum must be held at a special or general election before December 1, 1993.

Subd. 6. [ENFORCEMENT; COLLECTION; ADMINISTRATION OF TAX.] A sales tax imposed under this section shall be reported and paid to the commissioner of revenue with the state sales taxes, and be subject to the same penalties, interest, and enforcement provisions. The proceeds of the tax, less refunds and a proportionate share of the cost of collection, shall be remitted at least quarterly to Cook county. The commissioner shall deduct from the proceeds remitted an amount that equals the indirect statewide cost as well as the direct and indirect department costs necessary to administer, audit, and collect the tax. By July 1, 1993, the commissioner of revenue shall provide to the governing body of the county an estimate of these costs.

Subd. 7. [EFFECTIVE DATE.] This section is effective the day after compliance by the governing body of Cook county with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 45. [CITY OF ST. PAUL; SALES TAX AUTHORIZED.]

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

Subd. 2. [USE OF REVENUES.] Revenues received from the tax authorized by subdivision 1 may only be used by the city to pay the cost of collecting the tax, and to pay for the following projects or to secure or pay any principal, premium, or interest on bonds issued in accordance with subdivision 3 for the following projects.

(a) To pay all or a portion of the capital expenses of construction, equipment and acquisition costs for the expansion and remodeling of the St. Paul Civic Center complex.

(b) The remainder of the funds must be spent for capital projects to further residential, cultural, commercial, and economic development in both downtown St. Paul and St. Paul neighborhoods.

By January 15 of each odd-numbered year, the mayor and the city council must report to the legislature on the use of sales tax revenues during the preceding two-year period.

Subd. 3. [BONDS.] The city may issue general obligation bonds of the city to finance all or a portion of the cost for projects authorized in subdivision 2, paragraph (a). The debt represented by the bonds shall not be included in computing any debt limitations applicable to the city. The bonds may be paid from or secured by any funds available to the city, including the tax authorized under subdivision 1. The bonds may be issued in one or more series and sold without election on the question of issuance of the bonds or a property tax to pay them. Except as otherwise provided in this section, the bonds must be issued, sold, and secured in the manner provided in Minnesota Statutes, chapter 475. The aggregate principal amount of bonds issued under this subdivision may not exceed \$65 million.

Subd. 4. [ENFORCEMENT; COLLECTION.] A sales tax imposed under subdivision 1 may be reported and paid to the commissioner of revenue with the state sales tax, and be subject to the same penalties, interest, and enforcement provisions imposed under Minnesota Statutes, chapters 289A and 297A. If the commissioner of revenue enters into appropriate agreements with the city to provide for collection of these taxes by the state on behalf of the city, the commissioner shall charge the city a reasonable fee for its collection from the proceeds of any taxes to ensure that no state funds are expended for the collection of these taxes. The proceeds of the tax, less the cost of collection, shall be remitted monthly to the city and the city shall deposit such sums into a dedicated fund. By July 1, 1993, the commissioner of revenue shall provide the city an estimate of the cost of collection.

Subd. 5. [EXPIRATION OF TAXING AUTHORITY.] The authority granted by subdivision 1 to the city to impose a sales tax shall expire when the principal and interest on any bonds or other obligations issued to finance projects authorized in subdivision 2, paragraph (a) have been paid or at an earlier time as the city shall, by ordinance, determine. Any funds remaining after completion of projects approved under subdivision 2, paragraph (a) and retirement or redemption of any bonds or other obligations may be placed in the general fund of the city.

Subd. 6. [LOCAL APPROVAL; EFFECTIVE DATE.] This section is effective the day following final enactment, and after compliance by the governing body of the city of St. Paul with Minnesota Statutes, section 645.021, subdivision 3, with respect to that section. If the St. Paul city council intends to exercise the authority provided by this section, it shall pass a resolution stating the fact before July 1, 1993.

Sec. 46. [CITY OF GARRISON; SALES TAX.]

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

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

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

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

Subd. 4. [EXPIRATION OF TAXING AUTHORITY.] The authority granted by this section to the city of Garrison to impose a sales tax expires when the principal and interest on any bonds or obligations issued to finance the construction of the sewer system have been paid, or at an earlier time as the city shall, by resolution, determine. Any funds remaining after completion of the improvements and retirement or redemption of the bonds may be placed in the general fund of the city.

Subd. 5. [REFERENDUM.] The city may impose the tax under this section only after approval by the voters in a referendum held at a special or general election in the city.

Subd. 6. [LOCAL APPROVAL; EFFECTIVE DATE.] This section is effective the day after final enactment, upon compliance with Minnesota Statutes, section 645.021, subdivision 3, by the city of Garrison.

Sec. 47. [CHARITABLE GOLF TOURNAMENTS.]

The gross receipts from the sale or use of tickets or admissions to a golf tournament held in Minnesota are exempt if the beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code.

Sec. 48. [ADVISORY COUNCIL; SALES TAX ON CAPITAL EQUIPMENT.]

Subdivision 1. [CREATION; MEMBERSHIP.] (a) A state advisory council is established to study the sales tax exemption for capital equipment under Minnesota Statutes 1992, sections 297A.01, subdivision 16, and 297A.25, subdivision 42, and to make recommendations to the 1994 legislature. The study shall be completed and findings reported to the legislature by February 1, 1994.

(b) The advisory council consists of 15 members who serve at the pleasure of the appointing authority as follows:

(1) six legislators; three members of the senate, including one member of the minority party, appointed by the subcommittee on committees of the committee on rules and administration and three members of the house of representatives, including one member of the minority party, appointed by the speaker;

(2) the commissioner of revenue or the commissioner's designee; and

(3) eight members of the public; two appointed by the subcommittee on committees of the committee on rules and administration of the senate, two appointed by the speaker of the house, and four appointed by the governor.

Subd. 2. [SCOPE OF THE STUDY.] (a) In preparing the study, the advisory council shall examine, at least, the following:

(1) an overview of the purpose, intent, and application of the provisions of the present exemption, including the department of revenue's experience in interpreting and administering the provisions and the impact of the exemption on state tax collections;

(2) appropriate tax policy goals for the exemption of capital equipment from the sales tax;

(3) the effect of the exemption in encouraging new investment, increases in economic activity, and creation of new jobs in Minnesota or other appropriate economic development goals;

(4) analyses of alternative versions of the exemption, either expanding or narrowing it and specifically including the expansions contained in the administrative law judge's report, that will further the tax policy and economic development goals developed under clauses (2) and (3). In analyzing alternatives, the advisory council must consider alternatives that expand the exemption and offset the reduction in state and local sales tax revenues by expanding the sales tax base to include final consumption items that are now exempt from taxation.

(b) The advisory council's report to the legislature must include recommendations for modifying the exemption in light of the tax policy and economic development goals. The recommendations must not provide for increasing or decreasing state revenues relative to the revenue department's estimates of the effect of applying the department's interpretations of present law. If the report recommends expanding the exemption, it must include recommendations to expand the tax base to offset the resulting loss of state and local revenues.

Subd. 3. [STAFF.] The department of revenue and legislative staff shall provide administrative and staff assistance when requested by the advisory council.

Subd. 4. [COOPERATION BY OTHER AGENCIES.] The commissioners of the department of trade and economic development, the department of labor and industry, the department of jobs and training, and the pollution control agency shall, upon request by the advisory council, provide data or other information that is collected or possessed by their agencies and that is necessary or useful in conducting the study and preparing the report required by this section.

Sec. 49. [REPEALER.]

Minnesota Statutes 1992, section 115B.24, subdivision 10, is repealed.

Sec. 50. [EFFECTIVE DATE.]

Sections 1 to 12, 21, 30, 31, the part of section 33 exempting certain chore and homemaking services, 43 and 48 are effective the day following final enactment.

Section 13 is effective for taxes due on or after July 1, 1993.

Section 14 is effective for fees due on or after July 1, 1993.

Section 15 is effective for refund claims submitted on or after July 1, 1993.

Sections 16, 25 to 28, 35 to 38, and 42 are effective July 1, 1993.

Section 19 is effective July 1, 1993, for deliveries of diesel fuel manufactured from rerefined waste oil on and after that date.

Sections 22 and 23 are effective the day following final enactment and apply to all open tax years.

Section 24 is effective for claims for refund filed after May 5, 1993, except that the extension of the exemption for capital equipment used to produce an on-line computerized data retrieval system and to replacement equipment used in the production of taconite is effective for sales after June 30, 1993.

Section 29 is effective for sales of 900 information services made after June 30, 1993.

Except as otherwise provided, sections 33 and 34 are effective for sales made after June 30, 1993. The part of section 33 exempting sales of machinery and equipment for solid waste disposal and collection is effective for sales made after May 31, 1992.

Section 39 is effective for pollution equipment installed after June 30, 1993.

Sections 40 and 41 are effective for reports due after July 1, 1993.

Section 47 is effective for sales or uses of tickets or admissions occurring after December 31, 1992, and before July 1, 1993.

## ARTICLE 7

### COLLECTIONS AND COMPLIANCE

Section 1. Minnesota Statutes 1992, section 60A.15, subdivision 2a, is amended to read:

Subd. 2a. [PROCEDURE FOR FILING AND ADJUSTMENT OF STATEMENTS AND TAXES.] (a) Every insurer required to pay a premium tax in this state shall make and file a statement of estimated premium taxes for the period covered by the installment tax payment. Such the installment tax payment. Such statement shall be in the form prescribed by the commissioner of revenue.

(b) On or before March 1, annually every insurer subject to taxation under this section shall make an annual return for the preceding calendar year setting forth such information as the commissioner of revenue may reasonably require on forms prescribed by the commissioner.

(c) On March 1, the insurer shall pay any additional amount due for the preceding calendar year; if there has been an overpayment, such overpayment may be credited without interest on the estimated tax due April 15.

(d) If unpaid by this date, penalties and interest as provided in section ~~290.53~~ 289A.60, subdivision 1, as it relates to withholding and sales or use taxes, shall be imposed.

Sec. 2. Minnesota Statutes 1992, section 60A.15, subdivision 9a, is amended to read:

Subd. 9a. [FAILURE TO FILE; PENALTIES AND INTEREST.] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner of revenue in pursuance of law there shall be added to the tax penalties ~~and interest~~ as provided in section 289A.60, subdivision 2, as it relates to withholding and sales or use taxes.

Sec. 3. Minnesota Statutes 1992, section 60A.15, is amended by adding a subdivision to read:

Subd. 9e. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 4. Minnesota Statutes 1992, 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 (10); and

(f) paying penalties imposed under section 289A.60, subdivision 1, as it relates to withholding and sales or use taxes, if the tax due under clause (d) is not timely paid.

Sec. 5. Minnesota Statutes 1992, section 60A.199, subdivision 4, is amended to read:

Subd. 4. [FAILURE TO FILE; PENALTIES AND INTEREST.] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner in pursuance of law there shall be added to the tax penalties ~~and interest~~ as provided in section 289A.60, subdivision 2, as it relates to withholding and sales or use taxes.

Sec. 6. Minnesota Statutes 1992, section 60A.199, is amended by adding a subdivision to read:

Subd. 6a. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 7. Minnesota Statutes 1992, 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 subpoena~~ witnesses, at a time and place reasonable under the circumstances, to appear and give testimony, and to produce books, records, papers and documents for inspection and copying relating to any ~~tax~~ matter which the commissioner may have authority to investigate or determine. ~~Provided, that any summons;~~

(8) issue a subpoena which does not identify the person or persons with respect to whose ~~tax~~ liability the ~~summons subpoena~~ is issued ~~may be served~~, but only if (a) the ~~summons subpoena~~ 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 subpoena~~ is issued) is not readily available from other sources, (d) the ~~summons subpoena~~ 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 subpoena~~ which does not identify the person or persons with respect to whose tax liability the ~~summons subpoena~~ is issued shall have the right, within 20 days after service of the ~~summons subpoena~~, 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 subpoena~~ is enforceable. If no such petition is made by the party served within the time prescribed, the ~~summons subpoena~~ shall have the force and effect of a court order;

(8) (9) 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) (10) 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) (11) 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) (12) 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) (13) 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) (14) administer and enforce the assessment and collection of state taxes and, from time to time, make, publish, and distribute rules for the administration and enforcement of state tax laws. The rules have the force of law;

(14) (15) prepare blank forms for the returns required by state tax law and distribute them throughout the state, furnishing them subject to charge on application;

(15) (16) prescribe rules governing the qualification and practice of agents, attorneys, or other persons representing taxpayers before the commissioner. The rules may require that those persons, agents, and attorneys show that they are of good character and in good repute, have the necessary qualifications to give taxpayers valuable services, and are otherwise competent to advise and assist taxpayers in the presentation of their case before being recognized as representatives of taxpayers. After due notice and opportunity for hearing, the commissioner may suspend and disbar from further practice before the commissioner any person, agent, or attorney who is shown to be incompetent or disreputable, who refuses to comply with the rules, or who with intent to defraud, willfully or knowingly deceives, misleads, or threatens a taxpayer or prospective taxpayer, by words, circular, letter, or by advertisement. This clause does not curtail the rights of individuals to appear in their own behalf or partners or corporations' officers to appear in behalf of their respective partnerships or corporations;

(16) (17) appoint agents as the commissioner considers necessary to make examinations and determinations. The agents have the rights and powers conferred on the commissioner to subpoena, examine, and copy books, records, papers, or memoranda, subpoena witnesses, administer oaths and affirmations, and take testimony. In addition to administrative subpoenas of the commissioner and the agents, upon demand of the commissioner or an agent, the clerk or court administrator of any district court shall issue a subpoena for the attendance of a witness or the production of books, papers, records, or memoranda before the agent for inspection and copying. The commissioner may also issue subpoenas. Disobedience of ~~subpoenas issued under this chapter~~ a court administrator's subpoena shall be punished by the district court of the district in which the subpoena is issued, or in the case of a subpoena issued by the commissioner or an agent, by the district court of the district in which the party served with the subpoena is located, in the same manner as contempt of the district court;

(17) (18) appoint and employ additional help, purchase supplies or materials, or incur other expenditures in the enforcement of state tax laws as considered necessary. The salaries of all agents and employees provided for in this chapter shall be fixed by the appointing authority, subject to the approval of the commissioner of administration;

(18) (19) execute and administer any agreement with the secretary of the treasury of the United States or a representative of another state regarding the exchange of information and administration of the tax laws;

(19) (20) administer and enforce the provisions of sections 325D.30 to 325D.42, the Minnesota unfair cigarette sales act;

(20) (21) authorize the use of unmarked motor vehicles to conduct seizures or criminal investigations pursuant to the commissioner's authority; and

(21) (22) exercise other powers and perform other duties required of or imposed upon the commissioner of revenue by law.

Sec. 8. Minnesota Statutes 1992, section 270.70, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY OF COMMISSIONER.] If any tax payable to the commissioner of revenue or to the department of revenue is not paid when due, such tax may be collected by the commissioner of revenue within five years after the date of assessment of the tax, or if a lien has been filed, during the period the lien is enforceable, or if the tax judgment has been filed, within the statutory period of enforcement of a valid tax judgment, by a levy upon all property and rights to property, including any property in the possession of law enforcement officials, of the person liable for the payment or collection of such tax (except that which is exempt from execution pursuant to section 550.37 and amounts received under United States Code, title 29, chapter 19, as amended through December 31, 1989) or property on which there is a lien provided in section 270.69. For this purpose, the term "tax" shall include any penalty, interest, and costs properly payable. The term "levy" includes the power of distraint and seizure by any means; provided, no entry can be made upon the business premises or residence of a taxpayer in order to seize property without first obtaining a writ of entry listing the property to be seized and signed by a judge of the district court of the district in which the business premises or residence is located.

Sec. 9. [270.7001] [CONTINUOUS LEVY.]

Subdivision 1. [AUTHORITY.] The commissioner may, within five years after the date of assessment of the tax, or if a lien has been filed under section 270.69, within the statutory period for enforcement of the lien, give notice to

a person, officer, or political subdivision or agency of the state to withhold the amount of any tax, interest, or penalties due from a taxpayer, or the amount due from an employer or person who has failed to withhold and transmit amounts due from any payments to the taxpayer, employer, or person. The amounts withheld shall be transmitted to the commissioner at the times the commissioner designates.

Subd. 2. [LEVY CONTINUOUS.] The levy made under subdivision 1 is continuous from the date the notice is received until (1) the amount due stated on the notice has been withheld or (2) the notice has been released by the commissioner under section 270.709, whichever occurs first.

Subd. 3. [AMOUNT TO BE WITHHELD.] The amount required to be withheld under this section is the least of:

(1) the amount stated on the notice;

(2) if the taxpayer, employer, or person is not a natural person, 100 percent of the payment;

(3) if the taxpayer, employer, or person is an individual, 25 percent of the payment.

Subd. 4. [PAYMENTS COVERED.] For purposes of this section, the term payments does not include wages as defined in section 290.92 or funds in a deposit account as defined in section 336.9-105. The term payments does include the following:

(1) payments due for services of independent contractors, dividends, rents, royalties, residuals, patent rights, and mineral or other natural resource rights;

(2) payments or credits under written or oral contracts for services or sales whether denominated as wages, salary, commission, bonus, or otherwise, if the payments are not covered by section 290.92, subdivision 23; and

(3) any other periodic payments or credits resulting from an enforceable obligation to the taxpayer, employer, or person.

Subd. 5. [DETERMINATION OF STATUS; EFFECT.] A determination of a person's status as an independent contractor under this section does not affect the determination of the person's status for the purposes of any other law or rule.

Sec. 10. [270.78] [PENALTY FOR FAILURE TO MAKE PAYMENT BY ELECTRONIC FUNDS TRANSFER.]

In addition to other applicable penalties imposed by law, after notification from the commissioner of revenue to the taxpayer that payments for a tax administered by the commissioner are required to be made by means of electronic funds transfer, and the payments are remitted by some other means, there is a penalty in the amount of five percent of each payment that should have been remitted electronically. The penalty can be abated under the abatement procedures prescribed in section 270.07, subdivision 6, if the failure to remit the payment electronically is due to reasonable cause.

Sec. 11. Minnesota Statutes 1992, section 276.02, is amended to read:

276.02 [TREASURER TO BE COLLECTOR.]

The county treasurer shall collect all taxes extended on the tax lists of the county and the fines, forfeitures, or penalties received by any person or officer for the use of the county. The treasurer shall collect the taxes according to law and credit them to the proper funds. This section does not apply to fines and penalties accruing to municipal corporations for the violation of their ordinances that are recoverable before a city justice. The county board may by resolution authorize the treasurer to impose a charge for any dishonored checks.

The county board may, by resolution, authorize the treasurer and/or other designees to accept payments of real property taxes by credit card provided that a fee is charged for its use. The fee charged must be commensurate with the costs assessed by the card issuer. If a credit card transaction under this section is subsequently voided or otherwise reversed, the lien of real property taxes under section 272.31 is revived and attaches in the manner and time provided in that section as though the credit card transaction had never occurred, and the voided or reversed credit card transaction shall not impair the right of a lienholder under section 272.31 to enforce the lien in its favor.

Sec. 12. Minnesota Statutes 1992, section 279.37, subdivision 1a, is amended to read:

Subd. 1a. ~~The delinquent taxes upon a parcel of property which was classified class 4e pursuant to section 273.13, subdivision 9, or for taxes assessed in 1986 and thereafter, classified class 3a, for the previous year's assessment and had a total market value of less than \$100,000~~ \$200,000 for that same assessment shall be eligible to be composed into a confession of judgment. Property qualifying under this subdivision shall be subject to the same provisions as provided in this section except as herein provided.

(a) The down payment shall include all special assessments due in the current tax year, all delinquent special assessments, and 20 percent of the ad valorem tax, penalties, and interest accrued against the parcel. The balance remaining shall be payable in four equal annual installments; and

(b) The amounts entered in judgment shall bear interest at the rate provided in section 279.03, subdivision 1a, commencing with the date the judgment is entered. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 279.03, subdivision 1a.

Sec. 13. Minnesota Statutes 1992, section 289A.18, subdivision 4, is amended to read:

Subd. 4. [SALES AND USE TAX RETURNS.] (a) Sales and use tax returns must be filed on or before the 20th day of the month following the close of the preceding reporting period, except that annual use tax returns provided for under section 289A.11, subdivision 1, must be filed by April 15 following the close of the calendar year. ~~In addition, on or before June 20 of a year, a retailer who has a May liability of \$1,500 or more must file a return with the commissioner for one half of the estimated June liability, in addition to filing a return for the May liability. On or before August 20 of a year, the retailer must file a return showing the actual June liability.~~

(b) Returns filed by retailers required to remit liabilities by means of funds transfer under section 289A.20, subdivision 4, paragraph (d), are due on or before the 25th day of the month following the close of the preceding reporting period. ~~Returns filed under the second sentence of paragraph (a) by a retailer required to remit by means of funds transfer are due on June 25~~ The return for the May liability and 75 percent of the estimated June liability is due on the date payment of the estimated June liability is due, and on or before August 25 of a year, the retailer must file a return showing the actual June liability.

(c) If a retailer has an average sales and use tax liability, including local sales and use taxes administered by the commissioner, equal to or less than \$500 per month in any quarter of a calendar year, and has substantially complied with the tax laws during the preceding four calendar quarters, the retailer may request authorization to file and pay the taxes quarterly in subsequent calendar quarters. The authorization remains in effect during the period in which the retailer's quarterly returns reflect sales and use tax liabilities of less than \$1,500 and there is continued compliance with state tax laws.

(d) If a retailer has an average sales and use tax liability, including local sales and use taxes administered by the commissioner, equal to or less than \$100 per month during a calendar year, and has substantially complied with the tax laws during that period, the retailer may request authorization to file and pay the taxes annually in subsequent years. The authorization remains in effect during the period in which the retailer's annual returns reflect sales and use tax liabilities of less than \$1,200 and there is continued compliance with state tax laws.

(e) The commissioner may also grant quarterly or annual filing and payment authorizations to retailers if the commissioner concludes that the retailers' future tax liabilities will be less than the monthly totals identified in paragraphs (c) and (d). An authorization granted under this paragraph is subject to the same conditions as an authorization granted under paragraphs (c) and (d).

Sec. 14. Minnesota Statutes 1992, section 289A.20, subdivision 2, is amended to read:

Subd. 2. [WITHHOLDING FROM WAGES, ENTERTAINER WITHHOLDING, WITHHOLDING FROM PAYMENTS TO OUT-OF-STATE CONTRACTORS, AND WITHHOLDING BY PARTNERSHIPS AND SMALL BUSINESS CORPORATIONS.] (a) A tax required to be deducted and withheld during the quarterly period must be paid on or before the last day of the month following the close of the quarterly period, unless an earlier time for payment is provided. A tax required to be deducted and withheld from compensation of an entertainer and from a payment to an out-of-state contractor must be paid on or before the date the return for such tax must be filed under section 289A.18, subdivision 2. Taxes required to be deducted and withheld by partnerships and S corporations must be paid on or before the date the return must be filed under section 289A.18, subdivision 2.

(b)(1) Unless clause (2) applies, if during any calendar month, other than the last month of the calendar quarter, the aggregate amount of the tax withheld during that quarter under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, exceeds \$500, the employer shall deposit the aggregate amount with the commissioner within 15 days after the close of the calendar month.

(2) If at the close of any eighth-monthly period the aggregate amount of undeposited taxes is \$3,000 or more, the employer, or person withholding tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, shall deposit the undeposited taxes with the commissioner within three banking days after the close of the eighth-monthly period. For purposes of this clause, the term "eighth-monthly period" means the first three days of a calendar month, the fourth day through the seventh day of a calendar month, the eighth day through the 11th day of a calendar month, the 12th day through the 15th day of a calendar month, the 16th day through the 19th day of a calendar month, the 20th day through the 22nd day of a calendar month, the 23rd day through the 25th day of a calendar month, or the part of a calendar month following the 25th day of the month.

(c) The commissioner may prescribe by rule other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify payors according to the amount of their tax liability and may adopt an appropriate reporting period for the class that the commissioner judges to be consistent with efficient tax collection. In no event will the duration of the reporting period be more than one year.

(d) If less than the correct amount of tax is paid to the commissioner, proper adjustments with respect to both the tax and the amount to be deducted must be made, without interest, in the manner and at the times the commissioner prescribes. If the underpayment cannot be adjusted, the amount of the underpayment will be assessed and collected in the manner and at the times the commissioner prescribes.

(e) If the aggregate amount of the tax withheld during a fiscal year ending June 30 under section 290.92, subdivision 2a or 3, is equal to or exceeds ~~\$240,000~~ \$120,000, the employer must remit each required deposit in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the deposit is due. If the date the deposit is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the deposit is due.

Sec. 15. Minnesota Statutes 1992, section 289A.20, subdivision 4, is amended to read:

Subd. 4. [SALES AND USE TAX.] (a) The taxes imposed by chapter 297A are due and payable to the commissioner monthly on or before the 20th day of the month following the month in which the taxable event occurred or following another reporting period as the commissioner prescribes, except that use taxes due on an annual use tax return as provided under section 289A.11, subdivision 1, are payable by April 15 following the close of the calendar year.

(b) A vendor having a liability of ~~\$1,500~~ \$120,000 or more in ~~May of~~ during a fiscal year ending June 30 must remit the June liability for the next year in the following manner:

(1) ~~On or Two business days~~ before June ~~29~~ 30 of the year, the vendor must remit ~~the actual May liability and one-half 75 percent~~ of the estimated June liability to the commissioner.

(2) On or before August ~~20~~ 14 of the year, the vendor must pay any additional amount of tax not remitted in June.

(3) ~~If the vendor is required to remit by means of funds transfer as provided in paragraph (d), the vendor may remit the May liability as provided for in paragraph (c), but must remit one-half of the estimated June liability on or before June 14. The remaining amount of the June liability is due on August 14.~~

(c) When a retailer located outside of a city that imposes a local sales and use tax collects use tax to be remitted to that city, the retailer is not required to remit the tax until the amount collected reaches \$10.

(d) A vendor having a liability of ~~\$240,000~~ \$120,000 or more during a fiscal year ending June 30 must remit all liabilities in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before ~~the date the tax is due~~ the 14th day of the month following the month in which the taxable event occurred, except for ~~the one-half 75 percent~~ of the estimated June liability, which is due ~~with the May liability on two business days before June 14~~ 30. The remaining amount of the June liability is due on August 14. If the date the tax is due is not a funds transfer business

day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the tax is due.

(e) If the vendor required to remit by electronic funds transfer as provided in paragraph (d) is unable due to reasonable cause to determine the actual sales and use tax due on or before the due date for payment, the vendor may remit an estimate of the tax owed using one of the following options:

- (1) 100 percent of the tax reported on the previous month's sales and use tax return;
  - (2) 100 percent of the tax reported on the sales and use tax return for the same month in the previous calendar year;
- or
- (3) 95 percent of the actual tax due.

Any additional amount of tax that is not remitted on or before the due date for payment, must be remitted with the return. A vendor must notify the commissioner of the option that will be used to estimate the tax due, and must obtain approval from the commissioner to switch to another option. If a vendor fails to remit the actual liability or does not remit using one of the estimate options by the due date for payment, the vendor must remit actual liability as provided in paragraph (d) in all subsequent periods. This paragraph does not apply to the June sales and use liability.

Sec. 16. Minnesota Statutes 1992, section 289A.36, subdivision 3, is amended to read:

Subd. 3. [POWER TO COMPEL TESTIMONY.] In the administration of state tax law, 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 for inspection and copying;
- (2) examine under oath or affirmation any person regarding the business of any taxpayer concerning any relevant matter incident to the administration of state tax law. 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 that may be 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 have jurisdiction over the action and disobedience of an injunction issued under this clause will be punished as a contempt of district court.

Sec. 17. Minnesota Statutes 1992, section 289A.36, subdivision 7, is amended to read:

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 an order compelling the appearance of the subpoenaed witness or the production of the subpoenaed records. If the subpoenaed party fails to comply with the order of the court, the party may be punished by the court as for contempt. Disobedience of subpoenas issued under this section shall be punished by the district court of the district in which the party served with the subpoena is located, in the same manner as contempt of the district court.~~

Sec. 18. Minnesota Statutes 1992, section 289A.40, is amended by adding a subdivision to read:

Subd. 1a. [INDIVIDUAL INCOME TAXES; REASONABLE CAUSE.] If the taxpayer establishes reasonable cause for failing to timely file the return required by section 289A.08, subdivision 1, files the required return within ten years of the date specified in section 289A.18, subdivision 1, and independently verifies that an overpayment has been made, the commissioner shall grant a refund claimed by the original return, notwithstanding the limitations of subdivision 1.

Sec. 19. Minnesota Statutes 1992, section 289A.60, subdivision 1, is amended to read:

Subdivision 1. [PENALTY FOR FAILURE TO PAY TAX.] If a tax other than a withholding or sales or use tax is not paid ~~or amounts required to be withheld are not remitted~~ within the time specified for payment, a penalty must

be added to the amount required to be shown as tax. The penalty is three percent of the tax not paid on or before the date specified for payment of the 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 a withholding or sales or use tax is not paid within the time specified for payment, a penalty must be added to the amount required to be shown as tax. The penalty is five percent of the tax not paid on or before the date specified for payment of the tax if the failure is for not more than 30 days, with an additional penalty of 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 15 percent in the aggregate.

Sec. 20. Minnesota Statutes 1992, section 289A.60, subdivision 2, is amended to read:

Subd. 2. [PENALTY FOR FAILURE TO MAKE AND FILE RETURN.] If a taxpayer fails to make and file a return other than an income tax return of an individual, a withholding return, or sales or use tax 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 including any extensions 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, other than an income tax return of an individual, 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 not be less than 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.

If a taxpayer fails to file an individual income tax return within six months after the date prescribed for filing of the return, a penalty of ten percent of the amount of tax not paid by the end of that six-month period is added to the tax.

If a taxpayer fails to file a withholding or sales or use tax return within the time prescribed, including an extension, a penalty of five percent of the amount of tax not timely paid is added to the tax.

Sec. 21. Minnesota Statutes 1992, section 289A.60, is amended by adding a subdivision to read:

Subd. 5a. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file withholding or sales or use tax returns or timely pay withholding or sales or use taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 22. Minnesota Statutes 1992, section 289A.60, subdivision 15, is amended to read:

Subd. 15. [ACCELERATED PAYMENT OF JUNE SALES TAX LIABILITY; PENALTY FOR UNDERPAYMENT.] If a vendor is required by law to submit an estimation of June sales tax liabilities and ~~one-half~~ 75 percent payment by a certain date, and the vendor fails to remit the balance due by the date required, the vendor shall pay a penalty equal to ten percent of the amount of actual June liability required to be paid in June less the amount remitted in June. The penalty must not be imposed, however, if the amount remitted in June equals the lesser of: (1) 45 ~~70~~ percent of the actual June liability, (2) ~~50~~ 75 percent of the preceding May's liability, or (3) ~~50~~ 75 percent of the average monthly liability for the previous calendar year.

Sec. 23. Minnesota Statutes 1992, section 289A.60, is amended by adding a subdivision to read:

Subd. 21. [PENALTY FOR FAILURE TO MAKE PAYMENT BY ELECTRONIC FUNDS TRANSFER.] In addition to other applicable penalties imposed by this section, after notification from the commissioner to the taxpayer that payments are required to be made by means of electronic funds transfer under section 289A.20, subdivision 2, paragraph (e), or 4, paragraph (d), or 289A.26, subdivision 2a, and the payments are remitted by some other means, there is a penalty in the amount of five percent of each payment that should have been remitted electronically. The penalty can be abated under the abatement procedures prescribed in section 270.07, subdivision 6, if the failure to remit the payment electronically is due to reasonable cause.

Sec. 24. Minnesota Statutes 1992, section 294.03, subdivision 1, is amended to read:

Subdivision 1. If any company, joint stock association, copartnership, corporation, or individual required by law to pay taxes to the state on a gross earnings basis shall fail to pay such tax or gross earnings percentage within the time specified by law for the payment thereof, or within 30 days after final determination of an appeal to the Minnesota tax court relating thereto, there shall be added a specific penalty equal to ~~ten~~ five percent of the amount so remaining unpaid if the failure is for not more than 30 days, with an additional penalty of 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 15 percent in the aggregate. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid.

Sec. 25. Minnesota Statutes 1992, section 294.03, subdivision 2, is amended to read:

Subd. 2. In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner in pursuance of law, ~~unless it is shown that such failure is not due to willful neglect, there shall be added to the tax in lieu of the ten percent specific penalty provided in subdivision 1: ten percent if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate a penalty of five percent of the amount of tax not timely paid.~~ The amount so added to any tax shall be collected at the same time and in the same manner and as a part of the tax, and the amount of said tax together with the amount so added shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax.

For purposes of this subdivision, the amount of any taxes required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed upon the return.

Sec. 26. Minnesota Statutes 1992, section 294.03, is amended by adding a subdivision to read:

Subd. 4. If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 27. Minnesota Statutes 1992, section 296.14, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS; PAYMENT OF TAX; SHRINKAGE ALLOWANCE.] On or before the 23rd day of each month, every person who is required to pay gasoline tax or inspection fee on petroleum products and every distributor shall file in the office of the commissioner at St. Paul, Minnesota, a report in a manner approved by the commissioner showing the number of gallons of petroleum products received by the reporter during the preceding calendar month, and such other information as the commissioner may require. The number of gallons of gasoline shall be reported in United States standard liquid gallons (231 cubic inches), except that the commissioner may upon written application therefor and for cause shown permit the distributor to report the number of gallons of such gasoline as corrected to a 60 degree Fahrenheit temperature. If such application is granted, all gasoline covered in such application and as allowed by the commissioner must continue to be reported by the distributor on the adjusted basis for a period of one year from the date of the granting of the application. The number of gallons of petroleum products other than gasoline shall be reported as originally invoiced.

Each report shall show separately the number of gallons of aviation gasoline received by the reporter during such calendar month.

Each report shall be accompanied by remittance covering inspection fees on petroleum products and gasoline tax on gasoline received by the reporter during the preceding month; provided that in computing such tax a deduction of three percent of the quantity of gasoline received by a distributor shall be made for evaporation and loss; provided further that at the time of remittance the distributor shall submit satisfactory evidence that one-third of such three percent deduction shall have been credited or paid to dealers on quantities sold to them. The report and remittance shall be deemed to have been filed as herein required if postmarked on or before the 23rd day of the month in which payable.

Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

If the aggregate remittances made during a fiscal year ending June 30 equal or exceed ~~\$240,000~~ \$120,000, all remittances in the subsequent calendar year must be made by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the remittance is due. If the date the remittance is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the remittance is due.

Sec. 28. Minnesota Statutes 1992, section 297.03, subdivision 6, is amended to read:

Subd. 6. [TAX STAMPING MACHINES.] (a) The commissioner shall require any person licensed as a distributor to stamp packages with a heat-applied tax stamping machine, approved by the commissioner, which shall be provided by the distributor. The commissioner shall supervise and check the operation of the machines and shall provide for the payment of the tax on any package so stamped, subject to the discount provided in subdivision 5. The commissioner may sell heat-applied stamps on a credit basis under conditions prescribed by the commissioner. The stamps shall be sold by the commissioner at a price which includes the tax after giving effect to the discount provided in subdivision 5. The commissioner shall recover the actual costs of the stamps from the distributor. A distributor having a liability of ~~\$240,000~~ \$120,000 or more during a fiscal year ending June 30 must remit all liabilities purchased on a credit basis in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the tax is due. If the date the tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the tax is due.

(b) If the commissioner finds that a stamping machine is not affixing a legible stamp on the package, the commissioner may order the distributor to immediately cease the stamping process until the machine is functioning properly.

(c) The commissioner shall annually establish the maximum amount of heat applied stamps that may be purchased each month. Notwithstanding any other provisions of this chapter, the tax due on the return will be based upon actual heat applied stamps purchased during the reporting period.

Sec. 29. Minnesota Statutes 1992, section 297.07, subdivision 1, is amended to read:

Subdivision 1. [MONTHLY RETURN FILED WITH COMMISSIONER.] On or before the 18th day of each calendar month every distributor with a place of business in this state shall file a return with the commissioner showing the quantity of cigarettes manufactured or brought in from without the state or purchased during the preceding calendar month and the quantity of cigarettes sold or otherwise disposed of in this state and outside this state during that month. Every licensed distributor outside this state shall in like manner file a return showing the quantity of cigarettes shipped or transported into this state during the preceding calendar month. Returns shall be made upon forms furnished and prescribed by the commissioner and shall contain such other information as the commissioner may require. The return shall be accompanied by a remittance for the full unpaid tax liability shown by it. The return for the May liability and 75 percent of the estimated June liability is due on the date payment of the tax is due.

Sec. 30. Minnesota Statutes 1992, section 297.07, subdivision 4, is amended to read:

Subd. 4. [ACCELERATED TAX PAYMENT.] Every distributor having a liability of ~~\$1,500~~ \$120,000 or more ~~in May 1987 or in May of each subsequent~~ during a fiscal year ending June 30, shall remit the June liability for the next year in the following manner required by this section:

~~On or~~ (a) Two business days before June 18, 1987, or June 18 30 of each subsequent the year, the distributor shall remit the actual May liability and ~~one-half~~ 75 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

~~(b) On or before July 18, 1987, or July~~ August 18 of each subsequent the year, the distributor shall submit a return showing the actual June liability and paying any additional amount of tax not remitted in June. A penalty is imposed equal to ten percent of the amount of June liability required to be paid in June less the amount remitted in June.

However, the penalty shall not be imposed if the amount remitted in June equals the lesser of (a) 45 70 percent of the actual June liability, or (b) ~~50~~ 75 percent of the preceding May's liability.

Sec. 31. Minnesota Statutes 1992, section 297.35, subdivision 1, is amended to read:

Subdivision 1. On or before the 18th day of each calendar month every distributor with a place of business in this state shall file a return with the commissioner showing the quantity and wholesale sales price of each tobacco product (1) brought, or caused to be brought, into this state for sale; and (2) made, manufactured, or fabricated in this state for sale in this state, during the preceding calendar month. Every licensed distributor outside this state shall in like manner file a return showing the quantity and wholesale sales price of each tobacco product shipped or transported to retailers in this state to be sold by those retailers, during the preceding calendar month. Returns shall be made upon forms furnished and prescribed by the commissioner and shall contain such other information as the commissioner may require. Each return shall be accompanied by a remittance for the full tax liability shown therein, less 1.5 percent of such liability as compensation to reimburse the distributor for expenses incurred in the administration of sections 297.31 to 297.39. The return for the May liability and 75 percent of the estimated June liability is due on the date payment of the tax is due.

A distributor having a liability of ~~\$240,000~~ \$120,000 or more during a calendar year must remit all liabilities in the subsequent fiscal year ending June 30 by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the tax is due. If the date the tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the tax is due.

Sec. 32. Minnesota Statutes 1992, section 297.35, subdivision 5, is amended to read:

Subd. 5. Every distributor having a liability of ~~\$1,500~~ \$120,000 or more ~~in May 1987 or in May of each subsequent~~ during a fiscal year ending June 30, shall remit the June liability for the next year in the following manner required by this section:

~~On or (a) Two business days before June 18, 1987, or June 18 30 of each subsequent~~ the year, the distributor shall remit the actual May liability and ~~one-half~~ 75 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

~~(b) On or before July 18, 1987, or July~~ August 18 of each subsequent ~~the year~~, the distributor shall submit a return showing the actual June liability and paying any additional amount of tax not remitted in June. A penalty is imposed equal to ten percent of the amount of June liability required to be paid in June less the amount remitted in June. However, the penalty is not imposed if the amount remitted in June equals the lesser of ~~(a) (1)~~ (1) 45 70 percent of the actual June liability, or ~~(b) (2)~~ 50 75 percent of the preceding May's liability.

Sec. 33. Minnesota Statutes 1992, section 297.43, subdivision 1, is amended to read:

Subdivision 1. [PENALTY ON UNPAID TAX.] If a tax imposed by this chapter, or any part of it, is not paid within the time required for the payment, or an extension of time, or within 30 days after final determination of an appeal to the tax court relating to it, there shall be added to the tax a penalty equal to ~~three~~ five percent of the amount remaining unpaid if the failure is for not more than 30 days, with an additional penalty of ~~three~~ five percent of the amount of tax remaining unpaid during each additional 30 days or fraction thereof, not exceeding ~~24~~ 15 percent in the aggregate.

Sec. 34. Minnesota Statutes 1992, section 297.43, subdivision 2, is amended to read:

Subd. 2. [PENALTY FOR FAILURE TO FILE.] If a person fails to make and file a return within the time required under sections 297.07, 297.23, and 297.35, there shall be added to the tax ~~three~~ five 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 for each additional 30 days or fraction thereof during which such failure continues, not exceeding 23 percent in the aggregate.~~ The amount so added to any tax under this subdivision and subdivision 1 shall be collected at the same time and in the same manner and as a part of the tax and shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid, unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

In the case of a failure 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 shall not be less than the lesser of (i) \$200; or (ii) 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.

Sec. 35. Minnesota Statutes 1992, section 297.43, is amended by adding a subdivision to read:

Subd. 4a. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 36. Minnesota Statutes 1992, section 297C.03, subdivision 1, is amended to read:

Subdivision 1. [MANNER AND TIME OF PAYMENT; FAILURE TO PAY.] The tax on wines and distilled spirits on which the excise tax has not been previously paid must be paid to the commissioner by persons liable for the tax on or before the 18th day of the month following the month in which the first sale is made in this state by a licensed manufacturer or wholesaler. Every person liable for the tax on wines or distilled spirits imposed by section 297C.02 must file with the commissioner on or before the 18th day of the month following first sale in this state by a licensed manufacturer or wholesaler a return in the form prescribed by the commissioner, and must keep records and render reports required by the commissioner. The commissioner may certify to the commissioner of public safety any failure to pay taxes when due as a violation of a statute relating to the sale of intoxicating liquor for possible revocation or suspension of license. The return for the May liability and 75 percent of the estimated June liability is due on the date payment of the tax is due.

A person liable for an excise tax of ~~\$240,000~~ \$120,000 or more during a fiscal year ending June 30 must remit all excise tax liabilities in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the excise tax is due. If the date the excise tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the excise tax is due.

Sec. 37. Minnesota Statutes 1992, section 297C.04, is amended to read:

297C.04 [PAYMENT OF TAX; MALT LIQUOR.]

The commissioner may by rule provide a reporting method for paying and collecting the excise tax on fermented malt beverages. The tax is imposed upon the first sale or importation made in this state by a licensed brewer or importer. The rules must require reports to be filed with and the excise tax to be paid to the commissioner on or before the 18th day of the month following the month in which the importation into or the first sale is made in this state, whichever first occurs. The rules must also require payments in June of 1987 and subsequent years according to the provisions of section 297C.05, subdivision 2.

A distributor who has title to or possession of fermented malt beverages upon which the excise tax has not been paid and who knows that the tax has not been paid, shall file a return with the commissioner on or before the 18th day of the month following the month in which the distributor obtains title or possession of the fermented malt beverages. The return must be made on a form furnished and prescribed by the commissioner, and must contain all information that the commissioner requires. The return must be accompanied by a remittance for the full unpaid liability shown on it. The return for the May liability and 75 percent of the estimated June liability is due on the date payment of the tax is due.

A licensed brewer, importer, or distributor having an excise tax liability of ~~\$240,000~~ \$120,000 or more during a fiscal year ending June 30 must remit all excise tax liabilities in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the excise tax is due. If the date the excise tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the excise tax is due.

Sec. 38. Minnesota Statutes 1992, section 297C.05, subdivision 2, is amended to read:

Subd. 2. [ACCELERATED TAX PAYMENT.] Every person liable for tax under this chapter having a liability of ~~\$1,500~~ \$120,000 or more ~~in May 1987 or in May of each subsequent~~ during a fiscal year ending June 30, shall remit the June liability for the next year in the following manner required by this section:

~~On or (a) Two business days before June 18, 1987, or June 18 30 of each subsequent the year,~~ the taxpayer shall remit the actual May liability and ~~one-half~~ 75 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

(b) ~~On or before August 18, 1987, or August 18 of each subsequent the year,~~ the taxpayer shall submit a return showing the actual June liability and paying any additional amount of tax not remitted in June. A penalty is hereby imposed equal to ten percent of the amount of June liability required to be paid in June less the amount remitted in June. However, the penalty shall not be imposed if the amount remitted in June equals the lesser of (a) (1) 45 70 percent of the actual June liability, or ~~(b) (2) 50 75~~ (2) 50 75 percent of the preceding May's liability.

Sec. 39. Minnesota Statutes 1992, section 297C.14, subdivision 1, is amended to read:

Subdivision 1. [PENALTY ON UNPAID TAX.] If a tax imposed by this chapter, or any part of it, is not paid within the time required for the payment, or an extension of time, or within 30 days after final determination of an appeal to the tax court relating to it, there shall be added to the tax a penalty equal to ~~three five~~ three five percent of the amount remaining unpaid if the failure is for not more than 30 days, with an additional penalty of ~~three five~~ three five percent of the amount of tax unpaid during each additional 30 days or fraction thereof, not exceeding 24 15 percent in the aggregate.

Sec. 40. Minnesota Statutes 1992, section 297C.14, subdivision 2, is amended to read:

Subd. 2. [PENALTY FOR FAILURE TO FILE.] If a person fails to make and file a return within the time required by this chapter or an extension of time, there shall be added to the tax ~~three five~~ three five 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 for each additional 30 days or fraction thereof during which such failure continues, not exceeding 23 percent in the aggregate.~~ The amount so added to any tax under subdivisions 1 and 2 shall be collected at the same time and in the same manner and as a part of the tax and shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid, unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

In the case of a failure 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 shall not be less than the lesser of (i) \$200; or (ii) 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.

Sec. 41. Minnesota Statutes 1992, section 297C.14, is amended by adding a subdivision to read:

Subd. 9. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 42. Minnesota Statutes 1992, section 298.27, is amended to read:

298.27 [COLLECTION AND PAYMENT OF TAX.]

The taxes provided by section 298.24 shall be paid directly to each eligible county and the iron range resources and rehabilitation board. The commissioner of revenue shall notify each producer of the amount to be paid each recipient prior to February 8 15. Every person subject to taxes imposed by section 298.24 shall file a correct report covering the preceding year. The report must contain the information required by the commissioner. The report shall be filed on or before February 1. A remittance equal to ~~90~~ 100 percent of the total tax required to be paid hereunder shall be paid on or before February 15 24. On or before February 25, the county auditor shall make distribution of the payment received by the county in the manner provided by section 298.28. ~~The balance due shall be paid on or before April 15 following the production year, and shall be distributed by the county auditor as provided in section 298.28~~

by May 15. Reports shall be made and hearings held upon the determination of the tax in accordance with procedures established by the commissioner of revenue. The commissioner of revenue shall have authority to make reasonable rules as to the form and manner of filing reports necessary for the determination of the tax hereunder, and by such rules may require the production of such information as may be reasonably necessary or convenient for the determination and apportionment of the tax. All the provisions of the occupation tax law with reference to the assessment and determination of the occupation tax, including all provisions for appeals from or review of the orders of the commissioner of revenue relative thereto, but not including provisions for refunds, are applicable to the taxes imposed by section 298.24 except in so far as inconsistent herewith. If any person subject to section 298.24 shall fail to make the report provided for in this section at the time and in the manner herein provided, the commissioner of revenue shall in such case, upon information possessed or obtained, ascertain the kind and amount of ore mined or produced and thereon find and determine the amount of the tax due from such person. There shall be added to the amount of tax due a penalty for failure to report on or before February 1, which penalty shall equal ten percent of the tax imposed and be treated as a part thereof.

If any person responsible for making a partial tax payment at the time and in the manner herein provided fails to do so, there shall be imposed a penalty equal to ten percent of the amount so due, which penalty shall be treated as part of the tax due.

In the case of any underpayment of the partial tax payment required herein, there may be added and be treated as part of the tax due a penalty equal to ten percent of the amount so underpaid.

~~If any portion of the taxes provided for in section 298.24 is not paid before the fifteenth day of April of the year in which due and payable, a penalty of ten percent of such unpaid portion shall immediately accrue, and thereafter one percent per month shall be added to such tax and penalty while such tax remains unpaid.~~

A person having a liability of \$120,000 or more during a calendar year must remit all liabilities by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the tax is due. If the date the tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the tax is due.

Sec. 43. Minnesota Statutes 1992, section 299F.21, subdivision 2, is amended to read:

Subd. 2. [ANNUAL RETURNS.] (a) Every insurer required to pay a tax under this section shall make and file a statement of estimated taxes for the period covered by the installment tax payment. The statement shall be in the form prescribed by the commissioner of revenue.

(b) On or before March 1, annually every insurer subject to taxation under this section shall make an annual return for the preceding calendar year setting forth information the commissioner of revenue may reasonably require on forms prescribed by the commissioner.

(c) On March 1, the insurer shall pay any additional amount due for the preceding calendar year; if there has been an overpayment, the overpayment may be credited without interest on the estimated tax due April 15.

(d) If unpaid by this date, penalties ~~and interest~~ as provided in section 289A.60, subdivision 1, as related to withholding and sales or use taxes, shall be imposed.

Sec. 44. Minnesota Statutes 1992, section 299F.23, subdivision 2, is amended to read:

Subd. 2. [FAILURE TO FILE; PENALTIES AND INTEREST.] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner of revenue in pursuance of law there shall be added to the tax penalties ~~and interest~~ as provided in section 289A.60, subdivision 2, as related to withholding and sales or use taxes.

Sec. 45. Minnesota Statutes 1992, section 299F.23, is amended by adding a subdivision to read:

Subd. 5. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each

such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 46. Minnesota Statutes 1992, section 349.212, subdivision 4, is amended to read:

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. The rate of the tax is two percent of the ideal gross of the pull-tab or tipboard deal. The sales tax imposed by chapter 297A on the sale of the pull-tabs and tipboards by the licensed distributor 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 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 customer, to a common or contract carrier for delivery to the customer, or when received by the customer's authorized representative at the distributor's place of business, regardless of the distributor's method of accounting or the terms of the sale.

The tax imposed by this subdivision is imposed on all sales of pull-tabs and tipboards, except the following:

- (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.

(c) Pull-tabs and tipboards sold to an organization that sells pull-tabs and tipboards under the exemption from licensing in section 349.166, subdivision 2, paragraph (a), are exempt from the tax imposed by this subdivision. A distributor must require an organization conducting exempt gambling to show proof of its exempt status before making a tax-exempt sale of pull-tabs or tipboards to such an organization. A distributor shall identify, on all reports submitted to the commissioner, all sales of pull-tabs and tipboards that are exempt from tax under this subdivision.

(d) A distributor having a liability of ~~\$240,000~~ \$120,000 or more during a fiscal year ending June 30 must remit all liabilities in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the tax is due. If the date the tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the tax is due.

Sec. 47. Minnesota Statutes 1992, section 349.217, subdivision 1, is amended to read:

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~~ three five percent of the unpaid tax if the failure is for not more than 30 days, with an additional penalty of ~~three~~ three 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 ~~24~~ 15 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.

Sec. 48. Minnesota Statutes 1992, section 349.217, subdivision 2, is amended to read:

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~~ three five 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.

Sec. 49. Minnesota Statutes 1992, section 349.217, is amended by adding a subdivision to read:

Subd. 5a. [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] If there is a pattern by a person of repeated failures to timely file returns or timely pay taxes, and written notice is given that a penalty will be imposed if such failures continue, a penalty of 25 percent of the amount of tax not timely paid as a result of each such subsequent failure is added to the tax. The penalty can be abated under the abatement authority in section 270.07, subdivisions 1, paragraph (e), and 6.

Sec. 50. Minnesota Statutes 1992, section 473.843, subdivision 3, is amended to read:

Subd. 3. [PAYMENT OF FEE.] On or before the 20th day of each month each operator shall pay the fee due under this section for the previous month, using a form provided by the commissioner of revenue.

An operator having a fee of \$240,000 \$120,000 or more during a fiscal year ending June 30 must pay all fees in the subsequent calendar year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the fee is due. If the date the fee is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the fee is due.

Sec. 51. [PENALTY FOR REPEATED NON-FILING; RULEMAKING REQUIRED.]

Before imposing a penalty under section 3, 6, 21, 26, 35, 41, 45, or 49, the commissioner of revenue shall promulgate rules under Minnesota Statutes, chapter 14, that prescribe what constitutes "repeated failures to timely file returns or timely pay taxes" for purposes of the penalty under each section and any other matters the commissioner determines appropriate.

Sec. 52. [EFFECTIVE DATE.]

Sections 1 to 6, 19 to 21, 24 to 26, 33 to 35, 39 to 41, 43 to 45, and 47 to 49 are effective for taxes and returns due on or after January 1, 1994.

For purposes of imposing the penalties under sections 3, 6, 21, 26, 35, 41, 45, and 49, violations for late filing of returns or late payment of taxes can occur before or after January 1, 1994, but no penalty may be imposed under those sections until final rules promulgated under the administrative procedures act satisfying requirements of section 51 take effect.

Sections 7, 8, 11, 16, and 17 are effective the day following final enactment.

Section 9 is effective July 1, 1993.

Sections 10 and 23 are effective for taxes due on or after October 1, 1993.

Section 12 is effective for confessions of judgment entered into after June 30, 1993.

Sections 13 to 15, 22, 27 to 32, 36 to 38, 42, 46, and 50 are effective for payments due in the calendar year 1994, and thereafter, based upon payments made in the fiscal year ending June 30, 1993, and thereafter; provided that section 13, as it relates to quarterly and annual sales and use tax returns, is effective for returns due for calendar quarters beginning with the first quarter of 1994, and for calendar years beginning with 1994.

Section 18 is effective for returns due for taxable years beginning after December 31, 1982.

## ARTICLE 8

### ASSESSORS ADMINISTRATIVE

Section 1. Minnesota Statutes 1992, section 270.41, is amended to read:

270.41 [BOARD OF ASSESSORS.]

(a) A board of assessors is hereby created. The board shall be for the purpose of establishing, conducting, reviewing, supervising, coordinating or approving courses in assessment practices, and establishing criteria for

determining assessor's qualifications. The board shall also have authority and responsibility to consider other matters relating to assessment administration brought before it by the commissioner of revenue. The board may grant, renew, suspend, or revoke an assessor's license. The board shall consist of nine members, who shall be appointed by the commissioner of revenue, in the manner provided herein.

1. Two from the department of revenue,
2. Two county assessors,
3. Two assessors who are not county assessors, one of whom shall be a township assessor, and
4. One from the private appraisal field holding a professional appraisal designation,
5. Two public members as defined by section 214.02.

The appointment provided in 2 and 3 may be made from two lists of not less than three names each, one submitted to the commissioner of revenue by the Minnesota association of assessing officers or its successor organization containing recommendations for the appointment of appointees described in 2, and one by the Minnesota association of assessors, inc. or its successor organization containing recommendations for the appointees described in 3. The lists must be submitted 30 days before the commencement of the term. In the case of a vacancy, a new list shall be furnished to the commissioner by the respective organization immediately. A member of the board who shall no longer be engaged in the capacity listed above shall automatically be disqualified from membership in the board.

The board shall annually elect a chair and a secretary of the board.

(b) The board may refuse to grant or renew, or may suspend or revoke, a license of an applicant or licensee for any of the following causes or acts:

- (1) failure to complete required training;
- (2) inefficiency or neglect of duty;
- (3) "unprofessional conduct" which means knowingly neglecting to perform a duty required by law, or violation of the laws of this state relating to the assessment of property or unlawfully exempting property or knowingly and intentionally listing property on the tax list at substantially less than its market value or the level required by law in order to gain favor or benefit, or knowingly and intentionally misclassifying property in order to gain favor or benefit; or
- (4) conviction of a crime involving moral turpitude; or
- (5) any other cause or act that in the board's opinion warrants a refusal to issue or suspension or revocation of a license.

(c) The board of assessors may adopt rules under chapter 14, defining or interpreting grounds for refusing to grant or renew, and for suspending or revoking a license under this section. An action of the board of assessors in refusing to grant or renew a license or in suspending or revoking a license is subject to review in accordance with chapter 14.

(d) Any assessor, deputy assessor, assistant assessor, appraiser or other person employed by an assessment jurisdiction, or contracting with an assessment jurisdiction, for the purpose of valuing or classifying property for property tax purposes shall be prohibited from making appraisals, analyses, accepting an appraisal assignment or preparing an appraisal report as defined in Minnesota Statutes, section 82B.02, subdivisions 2, 3, 4 and 5, on any property within the assessment jurisdiction where the individual is employed or performing the duties of the assessor under contract. Violations of this prohibition shall result in immediate revocation of the individual's license to assess property for property tax purposes. This prohibition shall not be construed so as to prohibit an individual from carrying out any duties required for the proper assessment of property for property tax purposes.

Sec. 2. Minnesota Statutes 1992, section 270B.12, is amended by adding a subdivision to read:

Subd. 9. [COUNTY ASSESSORS.] If, as a result of an audit, the commissioner determines that a person is a Minnesota nonresident or part-year resident for income tax purposes, the commissioner may disclose the person's

name, address, and social security number to the assessor of any political subdivision in the state, when there is reason to believe that the person may have claimed or received homestead property tax benefits for a corresponding assessment year in regard to property apparently located in the assessor's jurisdiction.

Sec. 3. Minnesota Statutes 1992, section 273.061, subdivision 1, is amended to read:

Subdivision 1. [OFFICE CREATED; APPOINTMENT, QUALIFICATIONS.] Every county in this state shall have a county assessor. The county assessor shall be appointed by the board of county commissioners ~~and shall be a resident of this state.~~ The assessor shall be selected and appointed because of knowledge and training in the field of property taxation and appointment shall be approved by the commissioner of revenue before the same shall become effective. Upon receipt by the county commissioners of the commissioner of revenue's refusal to approve an appointment, the term of the appointee shall terminate at the end of that day. Notwithstanding any law to the contrary, a county assessor must have senior accreditation from the state board of assessors by January 1, 1992, or within two years of the assessor's first appointment under this section, whichever is later.

Sec. 4. Minnesota Statutes 1992, section 273.11, subdivision 13, is amended to read:

Subd. 13. [VALUATION OF INCOME-PRODUCING PROPERTY.] Beginning with the 1995 assessment, only accredited assessors or senior accredited assessors or other licensed assessors who have successfully completed at least two income-producing property appraisal courses may value income-producing property for ad valorem tax purposes. "Income-producing property" as used in this subdivision means the taxable property in class 3a and 3b in section 273.13, subdivision 24; class 4a and 4c, except for seasonal recreational property not used for commercial purposes, and class 4d in section 273.13, subdivision 25; and class 5 in section 273.13, subdivision 31. "Income-producing property appraisal course" as used in this subdivision means a course of study of approximately 30 instructional hours, with a final comprehensive test. An assessor must successfully complete the final examination for each of the two required courses. The course must be approved by the board of assessors.

Sec. 5. [REPORT ON COMPOSITION OF FARMS.]

Before December 1, 1993, each county assessor shall provide a report to the commissioner of revenue on the composition of farm homesteads within the county. The report shall document the size of farms in acres, the value of farms broken down into land value and building value, and such other information as the commissioner shall require. The report shall be in a form prescribed by the commissioner with consultation from legislative staff. The commissioner shall make the information collected in the reports available to legislative staff.

Sec. 6. [EFFECTIVE DATE.]

Section 1 is effective beginning July 1, 1993.

Sections 2 and 4 are effective the day following final enactment.

Section 3 is effective for any appointment beginning January 1, 1993 and thereafter.

## ARTICLE 9

### CONTAMINATION TAX

Section 1. [270.91] [CONTAMINATION TAX.]

Subdivision 1. [IMPOSITION.] A tax is annually imposed on the contamination value of taxable real property in this state.

Subd. 2. [INITIAL TAX RATES.] Unless the rates under subdivision 3 or 4 apply, the tax imposed under this section equals 100 percent of the class rate for the property under section 273.13, multiplied by the contamination value of the property.

Subd. 3. [TAX RATES, NONRESPONSIBLE PARTY.] If neither the owner nor the operator of the taxable real property, in the assessment year, is a responsible person under chapter 115B or a responsible party under chapter 18D for the presence of contaminants on the property, unless subdivision 4 applies, the tax imposed under this section equals 25 percent of the class rate for the property under section 273.13, multiplied by the contamination value of the

property. A determination under section 115B.177 or other similar determination by the commissioner of the pollution control agency or by the commissioner of agriculture for a release of agricultural chemicals is dispositive of whether the owner or operator is not a responsible person under chapter 18D or 115B for purposes of this section. To qualify under this subdivision, the property owner must provide the assessor with a copy of the determination by July 1 of the assessment year.

Subd. 4. [TAX RATES AFTER PLAN APPROVAL.] (a) The tax imposed under this subdivision applies for the first assessment year that begins after one of the following occurs:

(1) a response action plan for the property has been approved by the commissioner of the pollution control agency or by the commissioner of agriculture for an agricultural chemical release or incident subject to chapter 18D and work under the plan has begun; or

(2) the contaminants are asbestos and the property owner has in place an abatement plan for enclosure, removal, or encapsulation of the asbestos or a proactive, in-place management program pursuant to the rules, requirements, and formal policies of the United States environmental protection agency. To qualify under this clause, the property owner must (1) have entered into a binding contract with a licensed contractor for completion of the work, (2) have obtained a license from the commissioner of health and begun the work, or (3) implemented a proactive, in-place management program pursuant to the rules, requirements, and formal policies of the United States environmental protection agency. An abatement plan must provide for completion of the work within a reasonable time period, as determined by the assessors. An asbestos management program must cover a period of time and require such proactive practices as are required by the rules, requirements, and formal policies of the United States environmental protection agency.

(b) To qualify under paragraph (a), the property owner must provide the assessor with a copy of: (1) the approved response action plan; (2) a copy of the asbestos abatement plan and contract for completion of the work or the owner's license to perform the work; or (3) a copy of the approved asbestos management program. The property owner also must file with the assessor an affidavit indicating when work under the response action plan or asbestos abatement plan began.

(c) The tax imposed under this subdivision equals 50 percent of the class rate for the property under section 273.13, multiplied by the contamination value of the property.

(d) If neither the owner nor operator of the taxable real property, in the assessment year, is a responsible person under chapter 115B or a responsible party under chapter 18D for the presence of contamination on the property, the tax imposed under this subdivision equals 12.5 percent of the class rate for the property under section 273.13, multiplied by the contamination value of the property.

Sec. 2. [270.92] [DEFINITIONS.]

Subdivision 1. [SCOPE OF APPLICATION.] For purposes of sections 1 to 8, the following terms have the meanings given.

Subd. 2. [ASSESSMENT YEAR.] "Assessment year" means the assessment year for purposes of general ad valorem property taxes.

Subd. 3. [CONTAMINANT.] "Contaminant" means a harmful substance as defined in section 115B.25, subdivision 7a.

Subd. 4. [CONTAMINATED MARKET VALUE.] "Contaminated market value" is the amount determined under section 3.

Subd. 5. [PRESENCE OF CONTAMINANTS.] "Presence of contaminants" includes the release or threatened release, as defined in section 115B.02, subdivision 15, of contaminants on the property.

Subd. 6. [RESPONSE PLAN.] "Response plan" means: (1) a development action response plan, as defined in section 469.174, subdivision 17; (2) a response action plan under chapter 115B or a corrective action plan under chapter 18D; (3) a plan for corrective action approved by the commissioner of agriculture under section 18D.105; or (4) a plan for corrective action approved by the commissioner of the pollution control agency under section 115C.03.

## Sec. 3. [270.93] [TAX BASE; CONTAMINATION VALUE.]

The contamination value of a parcel of property is the amount of the market value reduction, if any, that is granted for general ad valorem property tax purposes for the assessment year because of the presence of contaminants. The contamination value for a property may be no greater than the estimated cost of implementing a reasonable response action plan or asbestos abatement plan or management program for the property. These reductions in market value include those granted by a court, by a board of review, by the assessor upon petition or request of a property owner, or by the assessor. Reductions granted by the assessor are included only if the assessor reduced the property's market value for the presence of contaminants using an appraisal method or methods that are specifically designed or intended to adjust for the valuation effects of the presence of contaminants. The contamination value for a parcel with a reduction in value of less than \$10,000 is zero.

## Sec. 4. [270.94] [EXEMPTION.]

The tax imposed by sections 1 to 8 does not apply to the contamination value of a parcel of property attributable to contaminants that were addressed by a response action plan for the property, if the commissioner of the pollution control agency, or the commissioner of agriculture for a release subject to chapter 18D, has determined that all the requirements of the plan have been satisfied. This exemption applies beginning for the first assessment year after the commissioner of the pollution control agency, or the commissioner of agriculture determines that the implementation of a response action plan has been completed.

To qualify under this section, the property owner must provide the assessor with a copy of the determination by the commissioner of the pollution control agency or the commissioner of agriculture of the completion of the response action plan.

## Sec. 5. [270.95] [PAYMENT; ADMINISTRATION.]

The tax imposed under sections 1 to 8 is payable at the same time and manner as the regular ad valorem property tax. The tax is subject to the penalty, interest, lien, forfeiture, and any other rules for collection of the regular ad valorem property tax. If a reduction in market value that creates contamination value is granted after the ad valorem property tax has been paid, the contamination tax must be subtracted from the amount to be refunded to the property owner.

## Sec. 6. [270.96] [DUTIES.]

Subdivision 1. [ASSESSORS.] Each assessor shall notify the county auditor of the contamination value under section 1 by the separate tax rate categories under subdivisions 2, 3, and 4 for each parcel of property within the assessor's jurisdiction. The assessor shall provide notice of the contamination value to the property owner by the later of June 1 of the assessment year or 30 days after the reduction in market value is finally granted.

Subd. 2. [AUDITOR.] The county auditor shall prepare separate lists of the contamination values for all property located in the county that are taxed under section 1, subdivisions 2, 3, and 4. The commissioner shall prescribe the form of the listing. The auditor shall include the amount of the contamination taxes on the contamination value for the assessment year on the regular ad valorem property tax statement under section 276.04.

Subd. 3. [TREASURER.] (a) The county treasurer shall pay the proceeds of the tax imposed under section 1, subdivision 4, less the amount retained by the county for the cost of administration under section 8, to the commissioner at the same times provided for the ad valorem property tax settlements.

(b) The county treasurer shall pay the proceeds of the tax imposed under section 1, subdivisions 2 and 3 to the local taxing jurisdictions in the same manner provided for the distribution of ad valorem property taxes.

Subd. 4. [COURT ORDERED REDUCTIONS IN VALUE.] If a court orders a reduction in market value for purposes of the ad valorem property tax because of the presence of contaminants on the property, the court shall include in its order an offset for payment of the tax on contaminated value under section 1.

## Sec. 7. [270.97] [DEPOSIT OF REVENUES.]

The commissioner shall deposit all revenues derived from the tax, interest, and penalties received from the county in the contaminated site cleanup and development account in the general fund.

Sec. 8. [270.98] [LOCAL ADMINISTRATIVE COSTS.]

The county may retain five percent of the total revenues derived from the tax imposed under section 1, subdivision 4, including interest and penalties, as compensation for administering the tax. The county board may reimburse municipalities for the services provided by assessors employed by the municipality in administering sections 1 to 8.

Sec. 9. Minnesota Statutes 1992, section 273.11, is amended by adding a subdivision to read:

Subd. 15. [VALUATION OF CONTAMINATED PROPERTIES.] (a) In determining the market value of property containing contaminants, the assessor shall reduce the market value of the property by the contamination value of the property. The contamination value is the amount of the market value reduction that results from the presence of the contaminants, but it may not exceed the cost of a reasonable response action plan or asbestos abatement plan or management program for the property.

(b) For purposes of this subdivision, "asbestos abatement plan," "contaminants," and "response action plan" have the meanings as used in sections 1 and 2.

Sec. 10. Minnesota Statutes 1992, section 275.065, subdivision 3, is amended to read:

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

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

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

(d) The notice must state for each parcel:

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

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

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

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

(1) special assessments;

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

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

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

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

(6) the contamination tax imposed on properties which received market value reductions for contamination.

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

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

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

- (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or
- (2) post a copy of the notice in a conspicuous place on the premises of the property.

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

Sec. 11. Minnesota Statutes 1992, section 276.04, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF TAX STATEMENTS.] (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The statement must contain a tabulated statement of the dollar amount due to each taxing authority from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the county, township or municipality and school district must be separately stated. The amounts due other taxing districts, if any, may be aggregated. The amount of the tax on contamination value imposed under sections 270.91 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The statement shall include the following sentence, printed in upper case letters in boldface print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT."

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

- (1) the property's estimated market value as defined in section 272.03, subdivision 8;
- (2) the property's gross tax, calculated by multiplying the property's gross tax capacity times the total local tax rate and adding to the result the sum of the aids enumerated in clause (3);
- (3) a total of the following aids:
  - (i) education aids payable under chapters 124 and 124A;
  - (ii) local government aids for cities, towns, and counties under chapter 477A; and
  - (iii) disparity reduction aid under section 273.1398;

(4) for homestead residential and agricultural properties, the homestead and agricultural credit aid apportioned to the property. This amount is obtained by multiplying the total local tax rate by the difference between the property's gross and net tax capacities under section 273.13. This amount must be separately stated and identified as "homestead and agricultural credit." For purposes of comparison with the previous year's amount for the statement for taxes payable in 1990, the statement must show the homestead credit for taxes payable in 1989 under section 273.13, and the agricultural credit under section 273.132 for taxes payable in 1989;

(5) any credits received under sections 273.119; 273.123; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief";

(6) the net tax payable in the manner required in paragraph (a); and

(7) any additional amount of tax authorized under sections 124A.03, subdivision 2a, and 275.61. These amounts shall be listed as "voter approved referenda levies."

The commissioner of revenue shall certify to the county auditor the actual or estimated aids enumerated in clauses (3) and (4) that local governments will receive in the following year. In the case of a county containing a city of the first class, for taxes levied in 1991, and for all counties for taxes levied in 1992 and thereafter, the commissioner must certify this amount by September 1.

#### Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 11 are effective beginning with taxes assessed in 1994, payable in 1995, and apply to reductions in market value in effect for the year regardless of when they were granted.

### ARTICLE 10

#### CONTAMINATION CLEANUP GRANTS

##### Section 1. [116].551] [CREATION OF ACCOUNT.]

A contaminated site cleanup and development account is created in the general fund. Money in the account may be used, as appropriated by law, to make grants as provided in section 4 and to pay for the commissioner's costs in reviewing applications and making grants.

##### Sec. 2. [116].552] [DEFINITIONS.]

Subdivision 1. [SCOPE OF APPLICATION.] For purposes of sections 1 to 7, the following terms have the meanings given.

Subd. 2. [CLEANUP COSTS.] "Cleanup costs" or "costs" mean the cost of implementing an approved response action plan.

Subd. 3. [CONTAMINANT.] "Contaminant" means a hazardous substance or a pollutant or contaminant as those terms are defined in section 115B.02.

Subd. 4. [DEVELOPMENT AUTHORITY.] "Development authority" includes a statutory or home rule charter city, housing and redevelopment authority, economic development authority, and a port authority.

Subd. 5. [METROPOLITAN AREA.] "Metropolitan area" means the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 6. [MUNICIPALITY.] "Municipality" means the statutory or home rule charter city, town, or, in the case of unorganized territory, the county in which the site is located.

Subd. 7. [PROJECT COSTS.] "Project costs" includes cleanup costs for the site and the cost of related site acquisition, demolition of existing improvements, and installation of public improvements necessary for the development authority to implement the response action plan.

Subd. 8. [RESPONSE ACTION PLAN.] "Response action plan" means a response action plan approved by the commissioner of the pollution control agency, including a "development action response plan" that meets the requirements of section 469.174, subdivision 17; and a "voluntary response action plan" under section 115B.175, subdivision 3.

Sec. 3. [116J.553] [GRANT APPLICATIONS.]

Subdivision 1. [APPLICATION REQUIRED.] To obtain a contamination cleanup development grant, the development authority shall apply to the commissioner. The governing body of the municipality must approve, by resolution, the application.

Subd. 2. [REQUIRED CONTENT.] The commissioner shall prescribe and provide the application form. The application must include at least the following information:

- (1) identification of the site;
- (2) an approved response action plan for the site, including the results of engineering and other tests showing the nature and extent of the release or threatened release of contaminants at the site;
- (3) a detailed estimate, along with necessary supporting evidence, of the total cleanup costs for the site;
- (4) an appraisal of the current market value of the property, separately taking into account the effect of the contaminants on the market value, prepared by a qualified independent appraiser using accepted appraisal methodology;
- (5) an assessment of the development potential or likely use of the site after completion of the response action plan, including any specific commitments from third parties to construct improvements on the site;
- (6) the manner in which the municipality will meet the local match requirement; and
- (7) any additional information or material that the commissioner prescribes.

Sec. 4. [116J.554] [GRANTS.]

Subdivision 1. [AUTHORITY.] The commissioner may make a grant to an applicant development authority to pay for up to 75 percent of the cleanup costs for a qualifying site, except the grant may not exceed 50 percent of the project costs. The determination of whether to make a grant for a qualifying site is within the sole discretion of the commissioner, subject to the process provided by this section, and available unencumbered money in the appropriation. The commissioner's decisions and application of the priorities under section 5 are not subject to judicial review, except for abuse of discretion.

Subd. 2. [QUALIFYING SITES.] A site qualifies for a grant under this section, if the following criteria are met:

- (1) the site is not scheduled for funding during the current or next fiscal year under the Comprehensive Environmental Response, Compensation, and Liability Act, United States Code, title 42, section 9601, et seq. or under the environmental response, and liability act under sections 115B.01 to 115B.24;
- (2) the appraised value of the site after adjusting for the effect on the value of the presence or possible presence of contaminants using accepted appraisal methodology (i) is less than 50 percent of the estimated cleanup costs for the site or (ii) is less than or equal to the estimated cleanup costs for the site and the cleanup costs equal or exceed \$3 per square foot for the site; and
- (3) if the proposed cleanup is completed, it is expected that the site will be improved with buildings or other improvements and these improvements will provide a substantial increase in the property tax base within a reasonable period of time or the site will be used for an important publicly owned or tax-exempt facility.

Sec. 5. [116J.555] [PRIORITIES.]

Subdivision 1. [PRIORITIES.] (a) The legislature expects that applications for grants will exceed the available appropriations and the agency will be able to provide grants to only some of the applicant development authorities.

(b) If applications for grants for qualified sites exceed the available appropriations, the agency shall make grants for sites that, in the commissioner's judgment, provide the highest return in public benefits for the public costs incurred and that meet all the requirements provided by law. In making this judgment, the commissioner shall consider the following factors:

(1) the recommendations or ranking of projects by the commissioner of the pollution control agency regarding the potential threat to public health and the environment that would be reduced or eliminated by completion of each of the response action plans;

(2) the potential increase in the property tax base of the local taxing jurisdictions, considered relative to the fiscal needs of the jurisdictions, that will result from developments that will occur because of completion of each of the response action plans;

(3) the social value to the community of the cleanup and redevelopment of the site, including the importance of development of the proposed public facilities on each of the sites;

(4) the probability that each site will be cleaned up without use of government money in the reasonably foreseeable future;

(5) the amount of cleanup costs for each site; and

(6) the amount of the commitment of municipal or other local resources to pay for the cleanup costs.

The factors are not listed in a rank order of priority; rather the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate. The commissioner may consider other factors that affect the net return of public benefits for completion of the response action plan. The commissioner, notwithstanding the listing of priorities and the goal of maximizing the return of public benefits, shall make grants that distribute available money to sites both within and outside of the metropolitan area. The commissioner shall provide a written statement of the supporting reasons for each grant. Unless sufficient applications are not received for qualifying sites outside of the metropolitan area, at least 25 percent of the money provided as grants must be made for sites located outside of the metropolitan area.

Subd. 2. [APPLICATION CYCLES; REPORTING TO LCWM.] (a) In making grants, the commissioner shall establish regular application deadlines in which grants will be authorized from all or part of the available appropriations of money in the account.

(b) After each cycle in which grants are awarded, the commissioner shall report to the legislative commission on waste management the grants awarded and appropriate supporting information describing each grant made. This report must be made within 30 days after the grants are awarded.

(c) The commissioner shall annually report to the legislative commission on the status of the cleanup projects undertaken under grants made under the programs. The commissioner shall include in the annual report information on the cleanup and development activities undertaken for the grants made in that and previous fiscal years. The commissioner shall make this report no later than 120 days after the end of the fiscal year.

Sec. 6. [116].556] [LOCAL MATCH REQUIREMENT.]

(a) In order to qualify for a grant under sections 1 to 7, the municipality must pay for at least one-half of the project costs as a local match. The municipality shall pay an amount of the project costs equal to at least 18 percent of the cleanup costs from the municipality's general fund, a property tax levy for that purpose, or other unrestricted money available to the municipality (excluding tax increments). These unrestricted moneys may be spent for project costs, other than cleanup costs, and qualify for the local match payment equal to 18 percent of cleanup costs. The rest of the local match may be paid with tax increments or any other money available to the municipality.

(b) If the development authority establishes a tax increment financing district or hazardous substance subdistrict on the site to pay for part of the local match requirement, the district or subdistrict is not subject to the state aid reductions under section 273.1399. In order to qualify for the exemption from the state aid reductions, the municipality must elect, by resolution, on or before the request for certification is filed that all tax increments from the district or subdistrict will be used exclusively to pay (1) for project costs for the site and (2) administrative costs for the district or subdistrict. The district or subdistrict must be decertified when an amount of tax increments equal

to no more than three times the costs of implementing the response action plan for the site and the administrative costs for the district or subdistrict have been received, after deducting the amount of the state grant.

Sec. 7. [116].557] [COST RECOVERY ACTIONS.]

Subdivision 1. [CAUSE OF ACTION.] The attorney general or a development authority or municipality that incurs cleanup costs to implement an approved response action plan pursuant to sections 216C.11 to 216C.16, may bring an action under section 115B.04 or other law to recover the reasonable and necessary cleanup costs incurred by the development authority or municipality. The attorney general, development authority, or municipality may recover all cleanup costs incurred whether paid from the proceeds of a grant under sections 216C.11 to 216C.16 or funds of the development authority or municipality. Recoverable costs include administrative and legal costs related to the development and implementation of the response action plan but do not include any cost associated with development or redevelopment of property. A development authority or municipality must have the consent of the attorney general to bring or settle an action under this subdivision to recover cleanup costs paid from the proceeds of a grant.

Subd. 2. [PROCEDURES.] The commissioner shall notify the attorney general when a grant is awarded under sections 216C.11 to 216C.16. Upon request of the attorney general the development authority shall prepare and submit a certification of the cleanup costs and shall cooperate in any cost recovery action brought by the attorney general under subdivision 1. Certification by the development authority of the cleanup costs incurred to develop and implement the approved response action plan is prima facie evidence that the costs are reasonable and necessary in any action brought under this section.

Subd. 3. [ATTORNEY GENERAL ASSISTANCE AND COSTS.] (a) The attorney general may assist a development authority or municipality, if requested to do so, in bringing an action under subdivision 1 by providing legal and technical advice or other appropriate assistance. The attorney general shall not assess any fee to the development authority or municipality for the assistance but may recover the cost of the assistance as provided in paragraph (b).

(b) If the attorney general brings or assists in an action brought under subdivision 1, the reasonable litigation expenses or other costs of legal or technical assistance incurred by the attorney general must be deducted from any recovery and paid to the attorney general before proceeds of the recovery are otherwise distributed. The attorney general shall deposit any money so deducted in the general fund.

Subd. 4. [DISPOSITION OF RECOVERED AMOUNTS.] Amounts recovered from responsible persons, after any deduction under subdivision 3, and all other amounts otherwise received by the municipality, the agency, or the attorney general for the site shall be used to reimburse the municipality and the account in proportion to their respective payments for response costs. The amount of recovered costs apportioned to tax increments must be treated by the municipality and development authority as an excess increment under section 469.176, subdivision 2.

Sec. 8. [ST. PAUL; ARLINGTON-JACKSON STUDY AREA; SPECIAL RULES FOR LOCAL MATCH.]

(a) The city of St. Paul or any of its development authorities or agencies may apply for one or more grants under this article for contamination cleanup in the area bounded on the south by Maryland Avenue, on the west by Jackson Street, on the north by Arlington Avenue, and on the east by interstate highway 35E. In applying the local match requirement under section 6, the city may meet the requirement that an amount equal to 18 percent of cleaning costs be paid with unrestricted money (excluding tax increments) by including unrestricted money spent in the defined area for land acquisition, public improvements or other development costs which do not qualify as cleanup costs.

(b) Notwithstanding this exception, the city must provide, at least, one-half of the project costs for the site for which the grant is made. The local share of the project costs may be financed wholly or in part with tax increments.

(c) Unrestricted money spent for land acquisition or other costs and counted to meet the 18 percent match may be spent for costs anywhere with the defined area, regardless of whether they are for the specific site, but may only be used once in an application for a grant, if grant applications are made for two or more sites in the area.

(d) These special rules are provided to allow the city to begin activities within the broader area before testing and assessment of the contamination has been done and still to be able to qualify for a grant with an equivalent local match. The legislature shall study whether similar situations are common for other contaminated areas and whether the general law should be modified to provide for similar treatment for all comparable sites.

Sec. 9. [APPROPRIATION.]

\$2,000,000 is appropriated to the commissioner of trade and economic development from the contaminated site cleanup and development account in the general fund to make grants under sections 1 to 7 and to pay the costs of administering the grant program. This appropriation is for fiscal year 1995 and remains available and does not cancel.

## ARTICLE 11

## TAX INCREMENT FINANCING

Section 1. Minnesota Statutes 1992, section 273.1399, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Qualifying captured net tax capacity" means the following amounts:

(1) the captured net tax capacity of a new or the expanded part of an existing economic development or soils condition tax increment financing district, other than a qualified manufacturing district, for which certification was requested after April 30, 1990;

(2) the captured net tax capacity of a qualified manufacturing district, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district:

Number of Years	Percentage
1	0
2	20
3	40
4	60
5	80
6 or more	100;

(3) the captured net tax capacity of a new or the expanded part of an existing tax increment financing district, other than a qualified housing district, qualified hazardous substance subdistrict, or an economic development or soils condition district, for which certification was requested after April 30, 1990, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district.

Number of years	Renewal and Renovation Districts	All other Districts
0 to 5	0	0
6	12.5	6.25
7	25	12.5
8	37.5	18.75
9	50	25
10	62.5	31.25
11	75	37.5
12	87.5	43.75
13	100	50
14	100	56.25
15	100	62.5
16	100	68.75
17	100	75
18	100	81.25
19	100	87.5
20	100	93.75
21 or more	100	100

In the case of a hazardous substance subdistrict, the number of years must be measured from the date of certification of the subdistrict for purposes of the additional captured net tax capacity resulting from the reduction in the subdistrict's or site's original net tax capacity.

(b) The terms defined in section 469.174 have the meanings given in that section.

(c) "Qualified manufacturing district" means an economic development district that qualifies under section 469.176, subdivision 4c, paragraph (a), without regard to clauses (2) and (4) (5), for which certification was requested after June 30, 1991, located in a home rule charter or statutory city that (1) has a population under 10,000 according to the last federal census and (2) is wholly located outside of a metropolitan statistical area as determined by the United States Office of Management and Budget.

(d) "Qualified housing district" means a housing district for a residential rental project or projects in which the only properties receiving assistance from revenues derived from tax increments from the district meet all of the requirements for a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1992, regardless of whether the project actually receives a low-income housing credit.

(e) "Qualified hazardous substance subdistrict" means a hazardous substance subdistrict in which the municipality has made an election to make an alternative local contribution as provided under section 9.

Sec. 2. [272.71] [TIF PROPERTIES; NOTICE OF POTENTIAL VALUATION REDUCTIONS.]

(a) The following officials shall notify the municipality of potential reductions in the market value of taxable parcels located in a tax increment financing district:

(1) for applications to reduce market value or abate taxes or for applications to a local or county board of review, the assessor;

(2) for applications to reduce market value or abate taxes by the state board of equalization, the commissioner of revenue;

(3) for petitions to reduce market value or object to taxes under chapter 278, the county attorney.

The official shall provide the notice to the municipality in writing within 60 days after the petition or application for a reduction is made.

(b) This section applies only to reductions in valuation or taxes that are granted after certification of final values for purposes of certifying local tax rates.

(c) For purposes of this section, "municipality" means the municipality for the tax increment financing district, as defined under section 469.174, subdivision 6.

Sec. 3. Minnesota Statutes 1992, section 469.012, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE OF POWERS.] An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 469.001 to 469.047, except that the power to levy and collect taxes or special assessments is limited to the power provided in sections 469.027 to 469.033. Its powers include the following powers in addition to others granted in sections 469.001 to 469.047:

(1) to sue and be sued; to have a seal, which shall be judicially noticed, and to alter it; to have perpetual succession; and to make, amend, and repeal rules consistent with sections 469.001 to 469.047;

(2) to employ an executive director, technical experts, and officers, agents, and employees, permanent and temporary, that it requires, and determine their qualifications, duties, and compensation; for legal services it requires, to call upon the chief law officer of the city or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies in its area of operation, provided that those local public bodies, if requested, shall make the services available;

(3) to delegate to one or more of its agents or employees the powers or duties it deems proper;

(4) within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) subject to the provisions of section 469.026, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take action that is necessary or convenient to carry out the purposes of these sections;

(6) within its area of operation, to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by chapter 117, to acquire real property which it may deem necessary for its purposes, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 469.003 or to provide decent, safe, and sanitary housing for persons of low and moderate income, or is necessary to carry out a redevelopment project. Real property needed or convenient for a project may be acquired by the authority for the project by condemnation pursuant to this section. This includes any property devoted to a public use, whether or not held in trust, notwithstanding that the property may have been previously acquired by condemnation or is owned by a public utility corporation, because the public use in conformity with the provisions of sections 469.001 to 469.047 shall be deemed a superior public use. Property devoted to a public use may be so acquired only if the governing body of the municipality has approved its acquisition by the authority. An award of compensation shall not be increased by reason of any increase in the value of the real property caused by the assembly, clearance or reconstruction, or proposed assembly, clearance or reconstruction for the purposes of sections 469.001 to 469.047 of the real property in an area;

(7) within its area of operation, and without the adoption of an urban renewal plan, to acquire, by all means as set forth in clause (6) but without the adoption of a resolution provided for in clause (6), real property, and to demolish, remove, rehabilitate, or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill, and construct foundations or otherwise prepare the site for improvements. The authority may dispose of the property pursuant to section 469.029, provided that the provisions of section 469.029 requiring conformance to an urban renewal plan shall not apply. The authority may finance these activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 469.033 or by means of contributions from the municipality provided for in section 469.041, clause (9), or by any combination of those means. Real property with buildings or improvements thereon shall only be acquired under this clause when the buildings or improvements are substandard. The exercise of the power of eminent domain under this clause shall be limited to real property which contains, or has contained within the three years immediately preceding the exercise of the power of eminent domain and is currently vacant, buildings and improvements which are vacated and substandard. Notwithstanding the prior sentence, in cities of the first class the exercise of the power of eminent domain under this clause shall be limited to real property which contains, or has contained within the three years immediately preceding the exercise of the power of eminent domain, buildings and improvements which are substandard. For the purpose of this clause, substandard buildings or improvements mean hazardous buildings as defined in section 463.15, subdivision 3, or buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community;

(8) within its area of operation, to determine the level of income constituting low or moderate family income. The authority may establish various income levels for various family sizes. In making its determination, the authority may consider income levels that may be established by the Department of Housing and Urban Development or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use that determination as a basis for the maximum amount of income for admissions to housing development projects or housing projects owned or operated by it;

(9) to provide in federally assisted projects any relocation payments and assistance necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto;

(10) to make an agreement with the governing body or bodies creating the authority which provides exemption from all real and personal property taxes levied or imposed by the state, city, county, or other political subdivisions, for which the authority shall make payments in lieu of taxes to the state, city, county, or other political subdivisions as provided in section 469.040. The governing body shall agree on behalf of all the applicable governing bodies affected that local cooperation as required by the federal government shall be provided by the local governing body or bodies in whose jurisdiction the project is to be located, at no cost or at no greater cost than the same public services and facilities furnished to other residents;

(11) to cooperate with or act as agent for the federal government, the state or any state public body, or any agency or instrumentality of the foregoing, in carrying out any of the provisions of sections 469.001 to 469.047 or of any other related federal, state, or local legislation; and upon the consent of the governing body of the city to purchase, lease, manage, or otherwise take over any housing project already owned and operated by the federal government;

(12) to make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, and plans for the enforcement of laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements. The authority may develop, test, and report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and blight;

(13) to borrow money or other property and accept contributions, grants, gifts, services, or other assistance from the federal government, the state government, state public bodies, or from any other public or private sources;

(14) to include in any contract for financial assistance with the federal government any conditions that the federal government may attach to its financial aid of a project, not inconsistent with purposes of sections 469.001 to 469.047, including obligating itself (which obligation shall be specifically enforceable and not constitute a mortgage, notwithstanding any other laws) to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default with respect to the covenants or conditions to which the authority is subject; to provide in the contract that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey, or otherwise deal with the project until the defaults are cured if the federal government agrees in the contract to reconvey to the authority the project as then constituted when the defaults have been cured;

(15) to issue bonds for any of its corporate purposes and to secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants or contributions;

(16) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control or in the manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds;

(17) within its area of operation, to determine where blight exists or where there is unsafe, unsanitary, or overcrowded housing;

(18) to carry out studies of the housing and redevelopment needs within its area of operation and of the meeting of those needs. This includes study of data on population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages, desirable patterns for land use and community growth, and other factors affecting the local housing and redevelopment needs and the meeting of those needs; to make the results of those studies and analyses available to the public and to building, housing, and supply industries;

(19) if a local public body does not have a planning agency or the planning agency has not produced a comprehensive or general community development plan, to make or cause to be made a plan to be used as a guide in the more detailed planning of housing and redevelopment areas;

(20) to lease or rent any dwellings, accommodations, lands, buildings, structures, or facilities included in any project and, subject to the limitations contained in sections 469.001 to 469.047 with respect to the rental of dwellings in housing projects, to establish and revise the rents or charges therefor;

(21) to own, hold, and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;

(22) to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards;

(23) to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts thereof issued by an authority and to pay premiums on the insurance;

(24) to make expenditures necessary to carry out the purposes of sections 469.001 to 469.047;

(25) to enter into an agreement or agreements with any state public body to provide informational service and relocation assistance to families, individuals, business concerns, and nonprofit organizations displaced or to be displaced by the activities of any state public body;

(26) to compile and maintain a catalog of all vacant, open and undeveloped land, or land which contains substandard buildings and improvements as that term is defined in clause (7), that is owned or controlled by the authority or by the governing body within its area of operation and to compile and maintain a catalog of all authority owned real property that is in excess of the foreseeable needs of the authority, in order to determine and recommend if the real property compiled in either catalog is appropriate for disposal pursuant to the provisions of section 469.029, subdivisions 9 and 10;

(27) to recommend to the city concerning the enforcement of the applicable health, housing, building, fire prevention, and housing maintenance code requirements as they relate to residential dwelling structures that are being rehabilitated by low- or moderate-income persons pursuant to section 469.029, subdivision 9, for the period of time necessary to complete the rehabilitation, as determined by the authority;

(28) to recommend to the city the initiation of municipal powers, against certain real properties, relating to repair, closing, condemnation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings, as provided in section 469.041, clause (5);

(29) to sell, at private or public sale, at the price or prices determined by the authority, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual;

(30) within its area of operation, to acquire and sell real property that is benefited by federal housing assistance payments, other rental subsidies, interest reduction payments, or interest reduction contracts for the purpose of preserving the affordability of low- and moderate-income multifamily housing;

(31) to apply for, enter into contracts with the federal government, administer, and carry out a section 8 program. Authorization by the governing body creating the authority to administer the program at the authority's initial application is sufficient to authorize operation of the program in its area of operation for which it was created without additional local governing body approval. Approval by the governing body or bodies creating the authority constitutes approval of a housing program for purposes of any special or general law requiring local approval of section 8 programs undertaken by city, county, or multicounty authorities; and

(32) to secure a mortgage or loan for a rental housing project by obtaining the appointment of receivers or assignments of rents and profits under sections 559.17 and 576.01, except that the limitation relating to the minimum amounts of the original principal balances of mortgages specified in sections 559.17, subdivision 2, clause (2); and 576.01, subdivision 2, does not apply.

Sec. 4. Minnesota Statutes 1992, section 469.174, subdivision 19, is amended to read:

Subd. 19. [SOILS CONDITION DISTRICTS.] (a) "Soils condition district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that the following conditions exist:

(1) ~~less than 70 percent of the parcels in the district are occupied by buildings, streets, utilities, or other improvements;~~

(2) unusual terrain, the presence of hazardous substances, pollution or contaminants, or soil deficiencies for 80 percent of the acreage in the district require substantial filling, grading, removal or remedial action, or other physical preparation for use;

(3) ~~(2) the estimated cost of the physical preparation under clause (2) (1), but excluding costs directly related to roads as defined in section 160.01 and local improvements as described in sections 429.021, subdivision 1, clauses (1) to (7), (11), and (12), and 430.01, when added to the fair market value of the land upon inclusion in the district exceeds the anticipated fair market value of the land upon before completion of the preparation.~~

The requirements of clause (2) need not be satisfied, if each parcel of property in the district either satisfies the requirements of clause (2) or the estimated costs of the proposed removal or remedial action exceeds \$2 per square foot for the area of the parcel.

(b) An area does not qualify as a soils condition district if it contains a wetland, as defined in section 103G.005, unless the development agreement prohibits draining, filling, or other alteration of the wetland or other binding legal assurances for preservation of the wetland are provided.

(c) If the district is located in the metropolitan area, the proposed development of the district in the tax increment financing plan must be consistent with the municipality's land use plan adopted in accordance with sections 473.851 to 473.872 and reviewed by the metropolitan council under section 473.175. If the district is located outside of the metropolitan area, the proposed development of the district must be consistent with the municipality's comprehensive municipal plan.

~~(d) No parcel shall be included in the district unless the authority has concluded an agreement or agreements for the development of at least 50 percent of the acreage having the unusual soil or terrain deficiencies. The agreement must provide recourse for the authority if the development is not completed.~~

Sec. 5. Minnesota Statutes 1992, section 469.174, subdivision 20, is amended to read:

Subd. 20. [INTERNAL REVENUE CODE.] "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 1988 1992.

Sec. 6. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 27. [TOURISM FACILITY.] "Tourism facility" means property that:

- (1) is located in a county where the median income is no more than 85 percent of the state median income;
- (2) is located in a county in which, excluding the cities of the first class in that county, the earnings on tourism-related activities are 15 percent or more of the total earnings in the county;
- (3) is located outside the metropolitan area defined in section 473.121, subdivision 2;
- (4) is not located in a city with a population in excess of 20,000; and
- (5) is acquired, constructed, or rehabilitated for use as a convention and meeting facility, amusement park, recreation facility, cultural facility, marina, park, hotel, motel, lodging facility, or nonhomestead dwelling unit that in each case is intended to serve primarily individuals from outside the county.

Sec. 7. Minnesota Statutes 1992, section 469.175, subdivision 1, is amended to read:

Subdivision 1. [TAX INCREMENT FINANCING PLAN.] (a) A tax increment financing plan shall contain:

- (1) a statement of objectives of an authority for the improvement of a project;
- (2) a statement as to the development program for the project, including the property within the project, if any, that the authority intends to acquire;
- (3) a list of any development activities that the plan proposes to take place within the project, for which contracts have been entered into at the time of the preparation of the plan, including the names of the parties to the contract, the activity governed by the contract, the cost stated in the contract, and the expected date of completion of that activity;
- (4) identification or description of the type of any other specific development reasonably expected to take place within the project, and the date when the development is likely to occur;
- (5) estimates of the following:
  - (i) cost of the project, including administration expenses;
  - (ii) amount of bonded indebtedness to be incurred;
  - (iii) sources of revenue to finance or otherwise pay public costs;

- (iv) the most recent net tax capacity of taxable real property within the tax increment financing district;
- (v) the estimated captured net tax capacity of the tax increment financing district at completion; and
- (vi) the duration of the tax increment financing district's existence;

(6) statements of the authority's alternate estimates of the impact of tax increment financing on the net tax capacities of all taxing jurisdictions in which the tax increment financing district is located in whole or in part. For purposes of one statement, the authority shall assume that the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district, and for purposes of the second statement, the authority shall assume that none of the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district;

(7) identification and description of studies and analyses used to make the determination set forth in subdivision 3, clause (2); and

(8) identification of all parcels to be included in the district.

(b) For a housing district, redevelopment district, or a hazardous substance subdistrict, the authority may elect in the tax increment financing plan to provide for the identification of a minimum market value in the plan, development agreement, or assessment agreement, and provide that increment is first received by the authority when (1) the market value of the improvements as determined by the assessor reaches or exceeds the minimum market value, or (2) four years has elapsed from the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor, whichever is earlier.

Sec. 8. Minnesota Statutes 1992, section 469.175, is amended by adding a subdivision to read:

Subd. 2a. [HOUSING DISTRICTS; REDEVELOPMENT DISTRICTS.] In the case of a proposed housing district or redevelopment district, in addition to the requirements of subdivision 2, at least 30 days before the publication of the notice for public hearing under subdivision 3, the authority shall deliver written notice of the proposed district to each county commissioner who represents part of the area proposed to be included in the district. The notice must contain a general description of the boundaries of the proposed district and the proposed activities to be financed by the district, an offer by the authority to meet and discuss the proposed district with the county commissioner, and a solicitation of the commissioner's comments with respect to the district.

Sec. 9. Minnesota Statutes 1992, section 469.175, is amended by adding a subdivision to read:

Subd. 6. [HAZARDOUS SUBSTANCE SUBDISTRICTS; LOCAL CONTRIBUTION ELECTION.] The state aid reductions under section 273.1399 do not apply to a hazardous substance subdistrict, if the municipality elects to pay and pays 18 percent of the cost of developing and implementing the development action response plan for the subdistrict and of any deposits to an indemnification fund out of its general fund, a property tax levy for that purpose, or other unrestricted money of the municipality (other than tax increments). The municipality must elect this option before it requests certification of the original tax capacity of the subdistrict and must notify the commissioner of revenue of its election. The election is irrevocable.

Sec. 10. Minnesota Statutes 1992, section 469.176, subdivision 1, is amended to read:

Subdivision 1. [DURATION OF TAX INCREMENT FINANCING DISTRICTS.] (a) Subject to the limitations contained in ~~paragraphs (b) to (g)~~ subdivisions 1a to 1f, any tax increment financing district as to which bonds are outstanding, payment for which the tax increment and other revenues have been pledged, shall remain in existence at least as long as the bonds continue to be outstanding. The municipality may, at the time of approval of the initial tax increment financing plan, provide for a shorter maximum duration limit than specified in ~~paragraphs (b) to (g)~~ subdivisions 1a to 1f. The specified limit applies in place of the otherwise applicable limit.

(b) The tax increment pledged to the payment of the bonds and interest thereon may be discharged and the tax increment financing district may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or date of redemption and interest thereon to the maturity or redemption date.

(c) For bonds issued pursuant to section 469.178, subdivisions 2 and 3, the full faith and credit and any taxing powers of the municipality or authority ~~shall continue to be~~ are pledged to the payment of the bonds until the principal of and interest on the bonds has been paid in full.

(~~d~~) Subd. 1a. [DURATION LIMIT; THREE-YEAR ACTIVITY RULE.] No tax increment shall be paid to an authority for a tax increment financing district after three years from the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor, unless within the three-year period (1) bonds have been issued in aid of the project containing the district pursuant to section 469.178, or any other law, except revenue bonds issued pursuant to sections 469.152 to 469.165, or (2) the authority has acquired property within the district, or (3) the authority has constructed or caused to be constructed public improvements within the district.

(e) Subd. 1b. [DURATION LIMITS; TERMS.] (a) No tax increment shall in any event be paid to the authority

(1) after 25 years from date of receipt by the authority of the first tax increment for a mined underground space development district, ~~redevelopment district, or housing district,~~

(2) after 15 years after receipt by the authority of the first increment for a renewal and renovation district,

(3) after 12 years from approval of the tax increment financing plan for a soils condition district, ~~and~~

(4) after ~~eight~~ nine years from the date of the receipt, or ~~ten~~ 11 years from approval of the tax increment financing plan, whichever is less, for an economic development district,

(5) for a housing district or a redevelopment district, after 20 years from the date of receipt by the authority of the first tax increment by the authority pursuant to section 469.175, subdivision 1, paragraph (b); or, if no provision is made under section 469.175, subdivision 1, paragraph (b), after 25 years from the date of receipt by the authority of the first increment.

(b) For purposes of determining a duration limit under this subdivision or subdivision 1e that is based on the receipt of an increment, any increments from taxes payable in the year in which the district terminates shall be paid to the authority. This paragraph does not affect a duration limit calculated from the date of approval of the tax increment financing plan or based on the recovery of costs or to a duration limit under subdivision 1c. This paragraph does not supersede the restrictions on payment of delinquent taxes in subdivision 1f.

Subd. 1c. [DURATION LIMITS; PRE-1979 DISTRICTS.] For tax increment financing districts created prior to August 1, 1979, no tax increment shall be paid to the authority after April 1, 2001, or the term of a nondefeased bond or obligation outstanding on April 1, 1990, secured by increments from the district or project area, whichever time is greater, provided that in no case will a tax increment be paid to an authority after August 1, 2009, from such a district. If a district's termination date is extended beyond April 1, 2001, because bonds were outstanding on April 1, 1990, with maturities extending beyond April 1, 2001, the following restrictions apply. No increment collected from the district may be expended after April 1, 2001, except to pay or defease (i) bonds issued before April 1, 1990, or (ii) bonds issued to refund the principal of the outstanding bonds and pay associated issuance costs, provided the average maturity of the refunding bonds does not exceed the bonds refunded.

(~~f~~) Subd. 1d. [DURATION LIMITS; EFFECT OF MODIFICATIONS.] Modification of a tax increment financing plan pursuant to section 469.175, subdivision 4, shall not extend the durational limitations of ~~this subdivision~~ subdivisions 1 to 1f.

(~~g~~) Subd. 1e. [DURATION LIMITS; HAZARDOUS SUBSTANCE SUBDISTRICTS.] If a parcel of a district is part of a designated hazardous substance site or a hazardous substance subdistrict, tax increment may be paid to the authority from the parcel for longer than the period otherwise provided by ~~this subdivision~~ subdivisions 1 to 1f for the overlying district. The extended period for collection of tax increment begins on the date of receipt of the first tax increment from the parcel that is more than any tax increment received from the parcel before the date of the certification under section 469.174, subdivision 7, paragraph (b), and received after the date of certification to the county auditor described in section 469.174, subdivision 7, paragraph (b). The extended period for collection of tax increment is the lesser of: (1) 25 years from the date of commencement of the extended period or 20 years if the authority elects under section 469.175, subdivision 1, paragraph (b), to defer receipt of the first increment; or (2) the period necessary to recover the costs of removal actions or remedial actions specified in a development response action plan.

(\*) Subd. 1f. [DELINQUENT TAXES AFTER TERMINATION.] If a parcel located in the district has delinquent property taxes when the district terminates under the duration limits ~~under this subdivision~~, the payment of the parcel's delinquent taxes made after decertification of the district are tax increments to the extent the nonpayment of property taxes caused the outstanding bonds or contractual obligations pledged to be paid by the district to be paid by sources other than tax increments or to go unpaid. The county auditor shall pay the appropriate amount to the district. The authority shall provide the county auditor with information regarding the payment of outstanding bonds or contractual obligations and any other information necessary to administer the payment, as requested by the county auditor.

Sec. 11. Minnesota Statutes 1992, section 469.176, subdivision 4, is amended to read:

Subd. 4. [LIMITATION ON USE OF TAX INCREMENT; GENERAL RULE.] All revenues derived from tax increment shall be used in accordance with the tax increment financing plan. The revenues shall be used solely for the following purposes: (1) to pay the principal of and interest on bonds issued to finance a project; (2) by a rural development financing authority for the purposes stated in section 469.142, by a port authority or municipality exercising the powers of a port authority to finance or otherwise pay the cost of redevelopment pursuant to sections 469.048 to 469.068, by an economic development authority to finance or otherwise pay the cost of redevelopment pursuant to sections 469.090 to 469.108, by a housing and redevelopment authority or economic development authority to finance or otherwise pay public redevelopment costs pursuant to sections 469.001 to 469.047, by a municipality or economic development authority to finance or otherwise pay the capital and administration costs of a development district pursuant to sections 469.124 to 469.134, by a municipality or authority to finance or otherwise pay the costs of developing and implementing a development action response plan, by a municipality or redevelopment agency to finance or otherwise pay premiums for insurance or other security guaranteeing the payment when due of principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to 469.165, or both, or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to 469.165, or both, which revenues in the reserve shall not exceed, subsequent to the fifth anniversary of the date of issue of the first bond issue secured by the reserve, an amount equal to 20 percent of the aggregate principal amount of the outstanding and nondefeased bonds secured by the reserve.

Sec. 12. Minnesota Statutes 1992, section 469.176, subdivision 4c, is amended to read:

Subd. 4c. [ECONOMIC DEVELOPMENT DISTRICTS.] (a) Revenue derived from tax increment from an economic development district may not be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if at least ten more than 15 percent of the buildings and facilities (determined on the basis of square footage) are used for a purpose other than:

- (1) the manufacturing or production of tangible personal property, including processing resulting in the change in condition of the property;
- (2) warehousing, storage, and distribution of tangible personal property, ~~but~~ excluding retail sales;
- (3) research and development ~~or~~ related to the activities listed in clause (1) or (2);
- (4) telemarketing if that activity is the exclusive use of the property; or
- (4) (5) tourism facilities, if the tourism facility is not located in a development region, as defined in section 462.384, with a population in excess of 1,000,000; or
- (6) space necessary for and related to the activities listed in clauses (1) to (5).

The percentage of buildings and facilities that may be used for nonqualifying purposes is increased above ten percent, but not over 25 percent, to the extent the nonqualifying square footage is directly related to and in support of the qualifying activity.

(b) ~~Population must be determined under the provisions of section 477A.011. Tourism facilities are limited to hotel and motel properties, including ancillary restaurants, convention and meeting facilities, amusement parks, recreation facilities, cultural facilities, marinas, and parks. The city must find that the tourism facilities are intended primarily to serve individuals outside of the development region.~~

~~(c) If the authority financed the construction of improvements with increment revenues for a site on which the authority expected qualifying facilities to be constructed and nonqualified property was constructed on the site in excess of the amount permitted under paragraph (a) within five years after the district was created, the developer of the nonqualified property must pay to the authority an amount equal to 90 percent of the benefit resulting from the improvements. The amount required to be paid may not exceed the proportionate cost of the improvements, including capitalized interest, that was financed with increment revenues. The payment must be used to prepay or discharge bonds under section 469.176, subdivision 2, paragraph (a), clauses (1) to (3). If no bonds are outstanding, the payment shall be distributed as an excess increment. "Benefit" has the meaning given in chapter 429.~~

(d) (b) Notwithstanding the provisions of this subdivision, revenue derived from tax increment from an economic development district may be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form for up to 5,000 square feet of commercial and retail facilities within the municipal jurisdiction of a home rule charter or statutory city that has a population of 5,000 or less. The 5,000 square feet limitation is cumulative and applies to all facilities in all the economic development districts within the municipal jurisdiction.

Sec. 13. Minnesota Statutes 1992, section 469.176, subdivision 4e, is amended to read:

Subd. 4e. [HAZARDOUS SUBSTANCE SUBDISTRICTS.] The additional tax increment received by the municipality from a hazardous substance subdistrict as a result of a reduction in original net tax capacity pursuant to section 469.174, subdivision 7, paragraph (b), or as a result of the extension of the period for collection of tax increment from a hazardous substance site or subdistrict provided for in subdivision 1, paragraph (g), may be used only to pay or reimburse the costs of: (1) removal actions or remedial actions with respect to hazardous substances or pollutants or contaminants or petroleum releases affecting or which may affect the designated hazardous substance site; (2) pollution testing, demolition, and soil compaction correction necessitated by the development response action plan for the designated hazardous substance site; and (3) purchase of environmental insurance or deposits to a guaranty fund, relating only to liability or response costs for land in the subdistrict; and (4) related administrative and legal costs, including costs of review and approval of development response action plans by the pollution control agency and litigation expenses of the attorney general.

Sec. 14. Minnesota Statutes 1992, section 469.176, subdivision 4g, is amended to read:

Subd. 4g. [GENERAL GOVERNMENT USE PROHIBITED.] (a) These revenues shall not be used to circumvent existing levy limit law. No revenues derived from tax increment from any district, whether certified before or after August 1, 1979, shall be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government. This provision shall not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure, a commons area used as a public park, or a facility used for social, recreational, or conference purposes and not primarily for conducting the business of the municipality.

(b) If any publicly owned facility used for social, recreational, or conference purposes and financed in whole or in part from revenues derived from a district is operated or managed by an entity other than the authority, the operating and management policies of the facility must be approved by the governing body of the authority.

Sec. 15. [469.1765] [GUARANTY FUND.]

Subdivision 1. [AUTHORITY TO ESTABLISH.] An authority may establish and maintain a guaranty fund or funds. Money in the guaranty fund is available, under the terms and conditions that the development authority establishes, to indemnify or hold harmless a person from liability for remediation costs under a state or federal environmental law, regulation, ruling, order, or decision.

Subd. 2. [ELIGIBLE PERSON.] The authority may agree to pledge money in the guaranty fund to indemnify a person whose liability arises out of use, ownership, occupancy, or financing of a property in the subdistrict or district.

Subd. 3. [TERMS OF INDEMNITY.] The authority shall determine by resolution or by agreement with the person the terms and conditions under which money in the guaranty fund will be used to indemnify or hold harmless the person. The authority may not agree to indemnify a person from liability for contamination caused by the person. The maximum amount that may be paid from the guaranty fund with respect to properties within a subdistrict or district is one-half of the remediation and removal costs. The maximum duration of an indemnification agreement is 25 years. An indemnification agreement is subject to any other restrictions provided by this section or other law.

Subd. 4. [FUNDING.] (a) Revenues derived from tax increments and any other money available to the authority may be deposited in the guaranty fund. The municipality may appropriate money to the authority to be deposited in the guaranty fund.

(b) If a guaranty fund is established that applies to property located in more than one tax increment financing district or subdistrict, the authority shall establish separate accounts for each subdistrict and district. The authority shall deposit all revenues derived from tax increments from a subdistrict or district in the account for that subdistrict or district, except the following amounts may be deposited in a general or other account: (1) the portion of revenue derived increments from a district, subject to section 469.1763, that may be spent on activities outside of the district, or (2) up to 25 percent of the revenues derived from increments from districts that are not subject to section 469.1763 and which may be deposited in the guaranty fund under the applicable tax increment financing plans. Investment earnings of money in an account must be credited to that account.

(c) The only money which may be pledged to indemnify or hold harmless a person from liability are amounts either in the account for the subdistrict or district in which the property out of which the liability arose is located or in an account not dedicated to a specific subdistrict or district.

Subd. 5. [LIABILITY LIMITED.] The authority and municipality is liable under a guaranty fund agreement only to the extent funds are available in the guaranty fund account or accounts available for the property.

Subd. 6. [DEPOSITORY.] The authority shall provide for the guaranty fund to be held by or maintained with a financial institution or corporate fiduciary eligible for the deposit of public money or eligible to act as a trustee or fiduciary for obligations issued under chapter 475.

Subd. 7. [FINAL DISPOSITION OF FUNDS.] At the end of the period of the indemnification, all unencumbered money in the guaranty fund for the subdistrict or district must be treated as an excess increment and distributed under the provisions of section 469.176, subdivision 2, paragraph (a), clause (4). If the municipality contributed money to the account, other than revenues derived from increments, the authority may deduct and pay to the municipality a proportionate share of the unencumbered money in the account before the money is distributed as an excess increment. The proportionate share is determined based on the amount of contributions of nonincrements to the account relative to total contributions, including increments, to the account.

Sec. 16. [469.1766] [DEVELOPER PAYMENTS.]

If the development agreement, other agreement, or arrangement provides for the developer to repay all or part of the assistance provided that was financed, directly or indirectly, with revenues derived from tax increments, the developer payments are subject to the restrictions imposed by law on revenues derived from tax increments and may only be spent for the purposes for which increments may be spent. A developer includes any beneficiary of assistance financed with revenues derived from tax increments.

Assistance includes sales of property at less than the cost of acquisition or fair market value, grants, ground or other leases at less than fair market rent, interest rate subsidies, utility service connections, roads, or other similar assistance that otherwise would have been paid in whole or part by the beneficiary.

Sec. 17. Minnesota Statutes 1992, section 469.177, subdivision 1, is amended to read:

Subdivision 1. [ORIGINAL NET TAX CAPACITY.] (a) Upon or after adoption of a tax increment financing plan, the auditor of any county in which the district is situated shall, upon request of the authority, certify the original net tax capacity of the tax increment financing district as described in the tax increment financing plan and shall certify in each year thereafter the amount by which the original net tax capacity has increased or decreased as a result of a change in tax exempt status of property within the district, reduction or enlargement of the district or changes pursuant to subdivision 4.

(b) In the case of a mined underground space development district the county auditor shall certify the original net tax capacity as zero, plus the net tax capacity, if any, previously assigned to any subsurface area included in the mined underground space development district pursuant to section 272.04.

(c) For districts approved under section 469.175, subdivision 3, or parcels added to existing districts after May 1, 1988, if the classification under section 273.13 of property located in a district changes to a classification that has a different assessment ratio, the original net tax capacity of that property must be redetermined at the time when its use is changed as if the property had originally been classified in the same class in which it is classified after its use is changed.

(d) The amount to be added to the original net tax capacity of the district as a result of previously tax exempt real property within the district becoming taxable equals the net tax capacity of the real property as most recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the date of title transfer rendering the property taxable, the net tax capacity assessed by the assessor at the time of the transfer. If substantial taxable improvements were made to a parcel after certification of the district and if the property later becomes tax exempt, in whole or part, as a result of the authority acquiring the property through foreclosure or exercise of remedies under a lease or other revenue agreement or as a result of tax forfeiture, the amount to be added to the original net tax capacity of the district as a result of the property again becoming taxable is the amount of the parcel's value that was included in original net tax capacity when the parcel was first certified. The amount to be added to the original net tax capacity of the district as a result of enlargements equals the net tax capacity of the added real property as most recently certified by the commissioner of revenue as of the date of modification of the tax increment financing plan pursuant to section 469.175, subdivision 4.

(e) For districts approved under section 469.175, subdivision 3, or parcels added to existing districts after May 1, 1988, if the net tax capacity of a property increases because the property no longer qualifies under the Minnesota agricultural property tax law, section 273.111; the Minnesota open space property tax law, section 273.112; or the metropolitan agricultural preserves act, chapter 473H, or because platted, unimproved property is improved or three years pass after approval of the plat under section 273.11, subdivision 1, the increase in net tax capacity must be added to the original net tax capacity.

(f) Each year the auditor shall also add to the original net tax capacity of each economic development district an amount equal to the original net tax capacity for the preceding year multiplied by the average percentage increase in the market value of all property included in the economic development district during the five years prior to certification of the district.

(g) The amount to be subtracted from the original net tax capacity of the district as a result of previously taxable real property within the district becoming tax exempt, or a reduction in the geographic area of the district, shall be the amount of original net tax capacity initially attributed to the property becoming tax exempt or being removed from the district. If the net tax capacity of property located within the tax increment financing district is reduced by reason of a court-ordered abatement, stipulation agreement, voluntary abatement made by the assessor or auditor or by order of the commissioner of revenue, the reduction shall be applied to the original net tax capacity of the district when the property upon which the abatement is made has not been improved since the date of certification of the district and to the captured net tax capacity of the district in each year thereafter when the abatement relates to improvements made after the date of certification. The county auditor may specify reasonable form and content of the request for certification of the authority and any modification thereof pursuant to section 469.175, subdivision 4.

(h) If a parcel of property contained a substandard building that was demolished or removed and if the authority elects to treat the parcel as occupied by a substandard building under section 469.174, subdivision 10, paragraph (b), the auditor shall certify the original net tax capacity of the parcel using the greater of (1) the current net tax capacity of the parcel, or (2) the estimated market value of the parcel for the year in which the building was demolished or removed, but applying the class rates for the current year.

Sec. 18. Minnesota Statutes 1992, section 469.177, subdivision 8, is amended to read:

Subd. 8. [ASSESSMENT AGREEMENTS.] An authority may enter into a written assessment agreement with any person establishing a minimum market value of land, existing improvements, or improvements to be constructed in a district, if the property is owned or will be owned by the person. The minimum market value established by an assessment agreement may be fixed, or increase or decrease in later years from the initial minimum market value. If an agreement is fully executed before July 1 of an assessment year, the market value as provided under the agreement must be used by the county or local assessor as the taxable market value of the property for that assessment. Agreements executed on or after July 1 of an assessment year become effective for assessment purposes in the following assessment year. An assessment agreement terminates on the earliest of the date on which conditions in the assessment agreement for termination are satisfied, the termination date specified in the agreement, or the date when tax increment is no longer paid to the authority under section 469.176, subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district and the property that is the subject of the agreement is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable

estimate, shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property, certifies that the market values assigned to the land and improvements are reasonable.

The assessment agreement shall be filed for record and recorded in the office of the county recorder or the registrar of titles of each county where the real estate or any part thereof is situated. After the agreement becomes effective for assessment purposes, the assessor shall value the property under section 273.11, except that the market value assigned shall not be less than the minimum market value established by the assessment agreement. The assessor may assign a market value to the property in excess of the minimum market value established by the assessment agreement. The owner of the property may seek, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes, but no city assessor, county assessor, county auditor, board of review, board of equalization, commissioner of revenue, or court of this state shall grant a reduction of the market value below the minimum market value established by the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction, or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording an assessment agreement constitutes notice of the agreement to anyone who acquires any interest in the land or improvements that is subject to the assessment agreement, and the agreement is binding upon them.

An assessment agreement may be modified or terminated by mutual consent of the current parties to the agreement. Modification or termination of an assessment agreement must be approved by the governing body of the municipality. If the estimated market value for the property for the most recently available assessment is less than the minimum market value established by the assessment agreement for that or any later year and if bond counsel does not conclude that termination of the agreement is necessary to preserve the tax exempt status of outstanding bonds or refunding bonds to be issued, the modification or termination of the assessment agreement also must be approved by the governing bodies of the county and the school district. A document modifying or terminating an agreement, including records of the municipality, county, and school district approval, must be filed for record. The assessor's review and certification is not required if the document terminates an agreement. A change to an agreement not fully executed before July 1 of an assessment year is not effective for assessment purposes for that assessment year. If an assessment agreement has been modified or prematurely terminated, a person may seek a reduction in market value or tax through the exercise of any administrative or legal remedy. The remedy may not provide for reduction of the market value below the minimum provided under a modified assessment agreement that remains in effect. In no event may a reduction be sought for a year other than the current taxes payable year.

Sec. 19. Minnesota Statutes 1992, section 469.1831, subdivision 4, is amended to read:

Subd. 4. [PROGRAM MONEY; DISTRIBUTION AND RESTRICTIONS.] (a) Neighborhood revitalization program money may only be expended in accordance with the program for a purpose listed in subdivision 3 or this subdivision. Program money may not be used in those project areas of the city where the city determines that private investment will be sufficient to provide for development and redevelopment of the project area without public sector assistance, except in cases where program money is being used to remove or rehabilitate structurally substandard or obsolete buildings. Revenues derived from tax increments may only be expended for the purposes otherwise permitted by law, except that notwithstanding any law to the contrary, the city must pay at least the following amount of program money, including revenues derived from tax increments: (1) 15 percent to the school district, (2) 7.5 percent to the county, and (3) 7.5 percent for social services. Payment must be made to the county and school district within 15 days after the city receives the distribution of increment revenues, provided that the payment for calendar year 1990 may be made at any time during the year. Payment to the county for social services delivery shall be paid only after approval of program and spending plans under paragraph (b). Payment to the school district for education programs and services shall be paid only after approval of program and spending plans under paragraph (b).

(b) The money distributed to the county in a calendar year must be deducted from the county's levy limit for the following calendar year. In calculating the county's levy limit base for later years, the amount deducted must be treated as a local government aid payment.

The city must notify the commissioner of education of the amount of the payment made to the school district for the year. The commissioner shall deduct from the school district's state education aid payments one-half of the amount received by the school district.

The program money paid to the school district must be expended for additional education programs and services in accordance with the program. The amounts expended by the school district may not replace existing services.

The money for social services must be paid to the county for the cost of the provision of social services under the plan, as approved by the policy board and the county board.

(c) The city must expend on housing programs and related purposes as provided by the program at least 75 percent of the program money, after deducting the payments to the school district and county.

(d) Notwithstanding any other provisions of law to the contrary, for a city of the first class qualifying under section 469.1781, paragraph (a), program money and money described in Laws 1990, chapter 604, article 7, section 29, as amended, may be expended anywhere within the city by the authority for a purpose permitted by this section for any political subdivision without compliance with section 469.175, subdivision 4, and such money shall be deemed to be expended for a purpose that is a permitted project under section 469.176 and for a purpose that is permitted under section 469.176 for the district from which the increment was received.

Sec. 20. [MINNETONKA; SOILS DISTRICT.]

Subdivision 1. [AUTHORITY.] The city of Minnetonka may create a soils condition tax increment financing district with or without a hazardous substance subdistrict, covering all or any portion of the following described property in the city of Minnetonka, county of Hennepin, state of Minnesota:

All that part of the east half of the northeast quarter of section 14, township 117 north, range 22 west, lying north of the Great Northern Railway right-of-way;

The east half of the southeast quarter of section 11, township 117 north, range 22 west; and

Lots 1, 2, 3, 4, 5, and 10, Block 1, and Lots 1, 2, 3, and 8, Block 2, Golden Acres Addition.

This district and a subdistrict may be created under Minnesota Statutes, section 469.175, if the governing body of the city finds, by resolution, that establishment of the district and a subdistrict will facilitate environmental response and provide for the settlement of pending litigation. Except as otherwise provided in this section, the provisions of Minnesota Statutes, sections 469.174 to 469.179, apply to the district and a subdistrict. The city may issue bonds or other obligations payable, in whole or in part, from increment derived from the district and a subdistrict. The request for certification of the district and a subdistrict must be filed with the county auditor before December 1, 1995. The city may defer receipt of the first increment from the district or from a subdistrict for up to three years following certification. Minnesota Statutes, sections 469.174, subdivisions 7, paragraph (c), and 19, clause (a)(3); and 469.176, subdivisions 1, paragraph (d), 4b, 4e, 6, and 7, do not apply to this district and subdistrict. Nothing in this section affects the liability of persons for costs or damages associated with the release of hazardous substances, the city's right to pursue responsible parties or reimbursement under applicable insurance contracts, or the city's liability under Minnesota Statutes, section 115B.04, subdivision 4. The powers granted are in addition to other powers of the city.

Subd. 2. [QUALIFICATION RULES.] Before creating a district or subdistrict under this section, the governing body of the city of Minnetonka must find (i) that the response costs related to the district and subdistrict and deposits to the indemnification fund or premiums for the purchase of private environmental insurance necessary to develop the site exceed the estimated fair market value of the land in the district and subdistrict after completion of all necessary response activities and provision of indemnification under the plan and (ii) that independent of the environmental response costs, that the cost of correcting the unusual terrain and soil conditions materially impairs the ability of the owner to develop, sell, or finance all or any significant portion of the district. This finding is in addition to the findings required under Minnesota Statutes, section 469.174, subdivision 19, paragraph (a), clauses (1) and (2), in the case of the district, and the findings required under Minnesota Statutes, section 469.174, subdivision 7, in the case of the subdistrict.

Subd. 3. [LIMITS ON SPENDING INCREMENTS; POOLING RULES.] (a) The provisions of Minnesota Statutes, section 469.1763, do not apply to the district and a subdistrict created under this section. Revenues derived from tax increments from the district and subdistrict may be spent only on:

(1) response costs related to the area contained in the district and subdistrict including the activities outside of the subdistrict or the district but within the project, to the extent necessary to prevent contaminants moving to or from the contaminated parcels;

(2) deposits to an indemnification fund or the purchase of environmental insurance, relating only to liability or additional response costs for contaminated parcels located in the district;

(3) the costs of correcting the unusual terrain or soil deficiencies and the additional costs of installing public improvements directly caused by the deficiencies (except increments derived from reducing original tax capacity under Minnesota Statutes, section 469.174, subdivision 7, paragraph (b), may not be used for this purpose); and

(4) administrative expenses and costs permitted under Minnesota Statutes, section 469.176, subdivisions 3 and 4h, including costs of review and approval of development response actions plans by the commissioner of the pollution control agency and litigation expenses of the attorney general, if any.

(b) After sufficient revenues derived from tax increments have been received to pay all remediation costs, deposits to an indemnification fund or insurance premiums, and administrative and other qualifying costs, the district and subdistrict must be decertified. Minnesota Statutes, section 469.176, subdivision 1, paragraphs (e) and (g), apply to the district and subdistrict, except to the extent limited by this section.

Subd. 4. [DEFINITION.] For purposes of this section, "response" means activity constituting "respond" or "response" as those terms are defined in Minnesota Statutes, section 115B.02. Response costs include activities, including installation of public infrastructure, necessary to respond.

Subd. 5. [STATE AID REDUCTION.] (a) The state aid reductions under Minnesota Statutes, section 273.1399, do not apply to the district or a subdistrict established under this section, if the city elects to pay and pays 25 percent of the response costs and deposits to the indemnification fund out of its general fund, a property tax levy for that purpose, or other unrestricted city money (other than tax increments). The city must elect this option at the time of certification of the district and must notify the commissioner of revenue of its election. The election is irrevocable.

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

Sec. 21. [CITY OF HOPKINS; HAZARDOUS SUBSTANCE SUBDISTRICT.]

Subdivision 1. [AUTHORIZATION.] Pursuant to Minnesota Statutes, section 469.175, subdivision 7, the city of Hopkins or its housing and redevelopment authority may create one or more hazardous substance subdistricts within tax increment financing district No. 2-5, or within any new or existing tax increment financing district encompassing any parcels located within township 117N, range 22W, sections 25 and 26 in the area bounded on the north by CSAH No. 3; on the south by the Hennepin County Regional Railroad Authority right-of-way; on the west by the city of Hopkins/city of Minnetonka boundary; and on the east by the existing parcel occupied by the city of Hopkins Well No. 1 Building. The city or its housing and redevelopment authority may issue bonds or other obligations payable in whole or in part from increment derived from the subdistrict or district upon a finding by city resolution that establishment of the subdistrict will facilitate environmental remediation and further the objectives of the tax increment financing plan for the district. The request for certification of the subdistrict must be filed with the county auditor before December 1, 1995. The city may defer receipt of the first increment from a subdistrict for up to three years following certification. Minnesota Statutes, sections 469.174, subdivisions 7, paragraph (c), and 16; and 469.176, subdivisions 1, paragraphs (d) and (g), 4e, 6, and 7, do not apply to the subdistrict.

Subd. 2. [PRESERVATION OF RIGHTS.] Nothing in this section affects the liability of persons for costs or damages associated with the release of hazardous substances, or the city's right to pursue responsible parties or to secure reimbursement under applicable insurance contracts, or the city's liability under Minnesota Statutes, section 115B.04, subdivision 4. The powers granted are in addition to other powers of the city.

Subd. 3. [QUALIFICATION RULES.] Before creation of a subdistrict under subdivision 1, the city of Hopkins shall determine that the existence of pollution or contamination of parcels within the subdistrict materially impairs the ability of the owners of the parcels to develop, sell, lease, or finance all or any portion of the parcels. For purposes of determining the original net tax capacity of the subdistrict under Minnesota Statutes, section 469.174, subdivision 7, paragraph (b), the requirement that the authority enter into a redevelopment or other agreement or have in place a response action plan before reduction of the original tax capacity does not apply. The amount of the estimated costs of the removal or remedial actions may be based on reasonable estimates prepared for the city.

In addition, the city shall, following review by the pollution control agency, prepare and adopt a report which delineates the maximum amount of money to be reserved for eligible expenditures.

Subd. 4. [ELIGIBLE EXPENDITURES.] Revenue derived from tax increments from the subdistrict may be spent only on:

(1) costs of investigating and remediating the pollution or contamination in the area contained in the subdistrict, including activities outside of the subdistrict to the extent necessary to prevent pollutants or contaminants moving to or from the subdistrict;

(2) deposits to an indemnification fund to be used to indemnify existing or future owners, purchasers, lessees, or mortgagees of any parcel in the subdistrict against environmental liability and costs associated with the investigation and remediation of pollution or contamination in the subdistrict, or the purchase of environmental insurance relating only to liability or remediation costs for parcels located in the subdistrict;

(3) administrative expenses and costs, including those permitted under Minnesota Statutes, section 469.176, subdivision 4h, and costs of preparation, review, and approval of any response action plan or partial response action plan by the pollution control agency; and

(4) costs of actions, including litigation, to recover investigation and remediation costs incident to the subdistrict from responsible persons.

Subd. 5. [DECERTIFICATION.] After sufficient revenues derived from tax increments have been received to pay all investigation and remediation costs, deposits to an indemnification fund, insurance premiums, and administrative and other qualifying costs, and in all events not more than 20 years from the date of receipt by the city of the first tax increment from the subdistrict, the subdistrict must be decertified.

Subd. 6. [REDISTRIBUTION.] When the city has received sufficient tax increment funds to pay all eligible expenditures, any funds received must be applied by the city in the manner of excess tax increments under Minnesota Statutes, section 469.176, subdivision 2, and the Hennepin county auditor shall increase the original net tax capacity of the parcels in the subdistrict to the original net tax capacity that would prevail had no reduction been made.

Subd. 7. [DEFINITIONS.] For purposes of this section, "remediation" means activity constituting removal, remedy, remedial action, or response as those terms are defined in Minnesota Statutes, section 115B.02, including activities to develop and implement a response action plan approved by the pollution control agency under Minnesota Statutes, section 115B.17, subdivision 14, or a partial response action plan approved by the pollution control agency under Minnesota Statutes, section 115B.175. Remediation costs include activities necessary to accomplish remediation, including installation of public infrastructure.

Subd. 8. [STATE AID REDUCTION.] The state aid reductions under Minnesota Statutes, section 273.1399, do not apply to a subdistrict established under this section, if the city elects to pay and pays 25 percent of the response costs and deposits to the indemnification fund out of its general fund, a property tax levy for that purpose, or other unrestricted city money (other than tax increments). The city must elect this option at the time of certification of the district and must notify the commissioner of revenue of its election. The election is irrevocable.

## Sec. 22. [INVER GROVE HEIGHTS.]

Subdivision 1. [EXTENSION OF TAX INCREMENT FINANCING DISTRICT.] Tax increment financing district No. 3-2, established by the city of Inver Grove Heights on April 30, 1992, under Laws 1990, chapter 604, article 7, section 30, subdivision 2, continues in effect until the earlier of (1) May 1, 2004, or (2) when all costs provided for in the tax increment financing plan relating to the district have been paid. In no event may the city receive more than eight years of tax increments for the district and all tax increments received after May 1, 2002, in excess of the amount of local government aid lost by the city under Minnesota Statutes, section 273.1399, as a result of such tax increments, shall be used only to pay or reimburse capital costs of public road and bridge improvements.

Subd. 2. [BOND AUTHORIZATION.] If the city of Inver Grove Heights, the Minnesota department of transportation, and Dakota county agree to the planning, design, construction, and reconstruction of state, county, and city highway, street, and bridge improvements that serve, among other areas, the area of tax increment financing district No. 3-2, the city council may, by resolution, authorize, sell, and issue general obligation bonds of the city in a principal amount not to exceed \$4,000,000 to finance part of the cost of the improvements to be paid for by the state

under the agreement. The city shall issue the bonds only if and to the extent it estimates they are necessary to pay costs of the improvements coming due for which state funds are not immediately available but will be received by the city under the agreement. The city shall pledge the state money to the payment of the bonds and after it receives the money shall pay the bonds as soon as practicable. The bonds shall be issued and secured under Minnesota Statutes, chapter 475, except no election is required to authorize their issuance.

Sec. 23. [CITY OF MANKATO; DURATION OF TAX INCREMENT FINANCING DISTRICT.]

Notwithstanding Minnesota Statutes, section 469.176, subdivision 1, the duration of the key city redevelopment project tax increment financing district, district AA1, located within the city of Mankato, may be extended by the authority to August 1, 2009. Any increment received during the period of extended duration may only be utilized for payment of or to secure payment of debt service on bonds issued after April 1, 1993, and before January 1, 1994, or bonds issued to refund those bonds.

Sec. 24. [EFFECTIVE DATE.]

Sections 1, 4, 9, 11, 13, 15, and 16 are effective for districts and subdistricts for which requests for certification are made after August 1, 1993.

Section 2 is effective for applications filed after the day of final enactment.

Sections 6, 7, 8, and 10, subdivision 1b, clauses (4) and (5), 12, and 14 are effective for districts for which the request for certification is made after May 31, 1993.

Section 10, except subdivision 1b, clauses (4) and (5), is effective for districts for which the requests for certification were made after July 31, 1979.

Sections 17 and 18 are effective July 1, 1993, and apply to all districts, regardless of when the request for certification was made, including districts for which the request for certification was made before August 1, 1979. Section 18 applies only to modifications of assessment agreements made after August 1, 1993.

Section 19 is effective upon compliance by the city of Minneapolis with Minnesota Statutes, section 645.021, subdivision 3.

Section 20 is effective upon compliance by the city of Minnetonka with Minnesota Statutes, section 645.021, subdivision 3.

Section 21 is effective upon compliance by the city of Hopkins with Minnesota Statutes, section 645.021, subdivision 3.

Section 22 is effective the day following final enactment without the approval of any local government.

Section 23 is effective upon compliance by the city of Mankato with Minnesota Statutes, section 645.021, subdivision 3.

## ARTICLE 12

### LOCAL GOVERNMENT EFFICIENCY AND COOPERATION

Section 1. [465.795] [DEFINITIONS.]

Subdivision 1. [AGENCY.] "Agency" means a department, agency, board, or other instrumentality of state government that has jurisdiction over an administrative rule or law from which a waiver is sought under section 3. If no specific agency has jurisdiction over such a law, "agency" refers to the attorney general.

Subd. 2. [BOARD.] "Board" means the board of government innovation and cooperation established by section 2.

Subd. 3. [COUNCIL.] "Council" or "metropolitan council" means the metropolitan council established by section 473.123.

Subd. 4. [LOCAL GOVERNMENT UNIT.] "Local government unit" means a county, home rule charter or statutory city, school district, town, or special taxing district, except for purposes of sections 465.81 to 465.87.

Subd. 5. [METROPOLITAN AGENCY.] "Metropolitan agency" has the meaning given in section 473.121, subdivision 5a.

Subd. 6. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

Subd. 7. [SCOPE.] As used in sections 1 to 5 and sections 465.80 to 465.87, the terms defined in this section have the meanings given them.

Sec. 2. [465.796] [BOARD OF GOVERNMENT INNOVATION AND COOPERATION.]

Subdivision 1. [MEMBERSHIP.] The board of government innovation and cooperation consists of three members of the senate appointed by the subcommittee on committees of the senate committee on rules and administration, three members of the house of representatives appointed by the speaker of the house, two administrative law judges appointed by the chief administrative law judge, the commissioner of finance, the commissioner of administration, and the state auditor. The commissioners of finance and administration and the state auditor may each designate one staff member to serve in the commissioner's or auditor's place. The members of the senate and house of representatives serve as nonvoting members.

Subd. 2. [DUTIES OF BOARD.] The board shall:

(1) accept applications from local government units for waivers of administrative rules and temporary, limited exemptions from enforcement of procedural requirements in state law as provided in section 3, and determine whether to approve, modify, or reject the application;

(2) accept applications for grants to local government units and related organizations proposing to design models or plans for innovative service delivery and management as provided in section 4 and determine whether to approve, modify, or reject the application;

(3) accept applications from local government units for financial assistance to enable them to plan for cooperative efforts as provided in section 5, and determine whether to approve, modify, or reject the application;

(4) accept applications from eligible local government units for service-sharing grants as provided in section 465.80, and determine whether to approve, modify, or reject the application;

(5) accept applications from counties, cities, and towns proposing to combine under sections 465.81 to 465.87, and determine whether to approve or disapprove the application; and

(6) make recommendations to the legislature regarding the elimination of state mandates that inhibit local government efficiency, innovation, and cooperation.

The board may purchase services from the metropolitan council in reviewing requests for waivers and grant applications.

Subd. 3. [STAFF.] The board may hire staff or consultants as necessary to perform its duties.

Sec. 3. [465.797] [RULE AND LAW WAIVER REQUESTS.]

Subdivision 1. [GENERALLY.] (a) Except as provided in paragraph (b), a local government unit may request the board of government innovation and cooperation to grant a waiver from one or more administrative rules or a temporary, limited exemption from enforcement of state procedural laws governing delivery of services by the local government unit. Two or more local government units may submit a joint application for a waiver or exemption under this section if they propose to cooperate in providing a service or program that is subject to the rule or law. Before submitting an application to the board, the governing body of the local government unit must approve the waiver or exemption request by resolution at a meeting required to be public under section 471.705.

(b) A school district that is granted a variance from rules of the state board of education under section 121.11, subdivision 12, need not apply to the board for a waiver of those rules under this section. A school district may not seek a waiver of rules under this section if the state board of education has authority to grant a variance to the rules under section 121.11, subdivision 12. This paragraph does not preclude a school district from being included in a cooperative effort with another local government unit under this section.

Subd. 2. [APPLICATION.] A local government unit requesting a waiver of a rule or exemption from enforcement of a law under this section shall present a written application to the board. The application must include:

- (1) identification of the service or program at issue;
- (2) identification of the administrative rule or the law imposing a procedural requirement with respect to which the waiver or exemption is sought;
- (3) a description of the improved service outcome sought, including an explanation of the effect of the waiver or exemption in accomplishing that outcome;
- (4) a description of the means by which the attainment of the outcome will be measured; and
- (5) if the waiver or exemption is proposed by a single local government unit, a description of the consideration given to intergovernmental cooperation in providing this service, and an explanation of why the local government unit has elected to proceed independently.

A copy of the application must be provided by the requesting local government unit to the exclusive representative of its employees as certified under section 179A.12.

Subd. 3. [REVIEW PROCESS.] Upon receipt of an application from a local government unit, the board shall review the application. The board shall dismiss or request modification of an application within 60 days of its receipt if it finds that (1) the application does not meet the requirements of subdivision 2, or (2) the application should not be granted because it clearly proposes a waiver of rules or exemption from enforcement of laws that would result in due process violations, violations of federal law or the state or federal constitution, or the loss of services to people who are entitled to them. If the application is submitted by a local government unit in the metropolitan area or the unit requests a waiver of a rule or temporary, limited exemptions from enforcement of a procedural law over which the metropolitan council or a metropolitan agency has jurisdiction, the board shall also transmit a copy of the application to the council for review and comment. The council shall report its comments to the board within 60 days of the date the application was transmitted to the council. The council may point out any resources or technical assistance it may be able to provide a local government submitting a request under this section. If it does not dismiss the application, the board shall transmit a copy of it to the commissioner of each agency having jurisdiction over a rule or law from which a waiver or exemption is sought. The agency may mail a notice that it has received an application for a waiver or exemption to all persons who have registered with the agency under section 14.14, subdivision 1a, identifying the rule or law from which a waiver or exemption is requested. If no agency has jurisdiction over the rule or law, the board shall transmit a copy of the application to the attorney general. If the commissioner of finance, the commissioner of administration, or the state auditor has jurisdiction over the rule or law, the chief administrative law judge shall appoint a second administrative law judge to serve as a member of the board in the place of that official for purposes of determining whether to grant the waiver or exemption. The agency shall inform the board of its agreement with or objection to and grounds for objection to the waiver or exemption request within 60 days of the date when the application was transmitted to it. Interested persons may submit written comments to the board on the waiver or exemption request within 60 days of the board's receipt of the application. If the agency fails to inform the board of its conclusion with respect to the application within 60 days of its receipt, the agency is deemed to have agreed to the waiver or exemption. If the exclusive representative of the employees of the requesting local government unit objects to the waiver or exemption request it may inform the board of the objection to and the grounds for the objection to the waiver or exemption request within 60 days of the receipt of the application.

Subd. 4. [HEARING.] If the agency or the exclusive representative does not agree with the waiver or exemption request, the board shall set a date for a hearing on the application, which may be no earlier than 90 days after the date when the application was transmitted to the agency. The hearing must be conducted informally at a meeting of the board. Persons representing the local government unit shall present their case for the waiver or exemption, and persons representing the agency shall explain the agency's objection to it. Members of the board may request additional information from either party. The board may also request, either before or at the hearing, information or comments from representatives of business, labor, local governments, state agencies, consultants, and members of the public. If necessary, the hearing may be continued at a subsequent board meeting. A waiver or exemption must be granted by a vote of a majority of the board members. The board may modify the terms of the waiver or exemption request in arriving at the agreement required under subdivision 5.

Subd. 5. [CONDITIONS OF AGREEMENTS.] If the board grants a request for a waiver or exemption, the board and the local government unit shall enter into an agreement providing for the delivery of the service or program that is the subject of the application. The agreement must specify desired outcomes and the means of measurement by which the board will determine whether the outcomes specified in the agreement have been met. The agreement must specify the duration of the waiver or exemption, which may be for no less than two years and no more than four years, subject to renewal if both parties agree. A waiver of a rule under this section has the effect of a variance granted by an agency under section 14.05, subdivision 4. A local unit of government that is granted an exemption from enforcement of a procedural requirement in state law under this section is exempt from that law for the duration of the exemption. The board may require periodic reports from the local government unit, or conduct investigations of the service or program.

Subd. 6. [ENFORCEMENT.] If the board finds that the local government unit is failing to comply with the terms of the agreement under subdivision 5, it may rescind the agreement. Upon the rescision, the local unit of government becomes subject to the rules and laws covered by the agreement.

Subd. 7. [ACCESS TO DATA.] If a local government unit, through a cooperative program under this section, gains access to data collected, created, received, or maintained by another local government that is classified as not public, the unit gaining access is governed by the same restrictions on access to and use of the data as the unit that collected, created, received, or maintained the data.

Sec. 4. [465.798] [SERVICE BUDGET MANAGEMENT MODEL GRANTS.]

One or more local units of governments, an association of local governments, the metropolitan council, or an organization acting in conjunction with a local unit of government may apply to the board of government innovation and management for a grant to be used to develop models for innovative service budget management. Proposed models may provide options to local governments, neighborhood or community organizations, or individuals for managing budgets for service delivery. A copy of the work product for which the grant was provided must be furnished to the board upon completion, and the board may disseminate it to other local units of government or interested groups. If the board finds that the model was not completed or implemented according to the terms of the grant agreement, it may require the grantee to repay all or a portion of the grant. The amount of a grant under this section shall not exceed \$50,000.

Sec. 5. [465.799] [COOPERATION PLANNING GRANTS.]

Two or more local government units may apply to the board of government innovation and cooperation for a grant to be used to develop a plan for intergovernmental cooperation in providing services. The grant application must include the following information:

- (1) the identity of the local government units proposing to enter into the planning process;
- (2) a description of the services to be studied and the outcomes sought from the cooperative venture; and
- (3) a description of the proposed planning process, including an estimate of its costs, identification of the individuals or entities who will participate in the planning process, and an explanation of the need for a grant to the extent that the cost cannot be paid out of the existing resources of the local government unit.

The plan may include model contracts or agreements to be used to implement the plan. A copy of the work product for which the grant was provided must be furnished to the board upon completion. If the board finds that the grantee has failed to implement the plan, it may require the grantee to repay all or a portion of the grant. The amount of a grant under this section shall not exceed \$50,000.

Sec. 6. Minnesota Statutes 1992, section 465.80, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] This section establishes a program for grants to ~~cities, counties, and towns~~ local government units to enable them to meet the start-up costs of providing shared services or functions.

Sec. 7. Minnesota Statutes 1992, section 465.80, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] Any ~~home rule charter or statutory city, county, or town~~ local government unit that provides a plan for offering a governmental service under a joint powers agreement with another ~~city, county, or town~~ local government unit, or with an agency of state government, is eligible for a grant under this section, and is referred to in this section as an "eligible local government unit."

Sec. 8. Minnesota Statutes 1992, section 465.80, subdivision 4, is amended to read:

Subd. 4. [SUBMISSION OF PLAN TO DEPARTMENT BOARD.] The plan must be submitted to the ~~department of trade and economic development~~ board of government innovation and cooperation. A copy of the plan must also be provided by the requesting local government units to the exclusive representatives of the employees as certified under section 179A.12. The ~~commissioner of trade and economic development~~ board will approve a plan only if it contains the elements set forth in subdivision 3, with sufficient information to verify the assertions under clauses (2) and (3). The ~~commissioner~~ board may request modifications of a plan. If the ~~commissioner~~ board rejects a plan, written reasons for the rejection must be provided, and a governmental unit may modify the plan and resubmit it.

Sec. 9. Minnesota Statutes 1992, section 465.80, subdivision 5, is amended to read:

Subd. 5. [GRANTS.] The amount of each grant shall be equal to the additional start-up costs for which evidence is presented under subdivision 3, clause (3). Only one grant will be given to a local government unit for any function or service it proposes to combine with another government unit, but a unit may apply for separate grants for different services or functions it proposes to combine. If the amount of money available for making the grants is not sufficient to fully fund the grants to eligible local government units with approved plans, the ~~commissioner~~ board shall award grants on the basis of each qualified applicant's score under a scoring system to be devised by the ~~commissioner~~ board to measure the relative needs for the grants and the ratio of costs to benefits for each proposal.

Sec. 10. Minnesota Statutes 1992, section 465.81, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in sections 465.81 to 465.87, the words defined in this subdivision have the meanings given them in this subdivision.

"Board" means the board of government innovation and cooperation.

"City" means home rule charter or statutory cities.

~~"Commissioner" means the commissioner of trade and economic development.~~

~~"Department" means the department of trade and economic development.~~

"Governing body" means, in the case of a county, the county board; in the case of a city, the city council; and, in the case of a town, the town board.

"Local government unit" or "unit" includes counties, cities, and towns.

Sec. 11. Minnesota Statutes 1992, section 465.82, subdivision 1, is amended to read:

Subdivision 1. [ADOPTION AND STATE AGENCY REVIEW.] Each governing body that proposes to combine under sections 465.81 to 465.87 must adopt by resolution a plan for cooperation and combination. The plan must address each item in this section. The plan must be specific for any item that will occur within three years and may be general or set forth alternative proposals for an item that will occur more than three years in the future. The plan must be submitted to the ~~department of trade and economic development~~ board of government innovation and cooperation for review and comment. For a metropolitan area local government unit, the plan must also be submitted to the metropolitan council for review and comment. The council may point out any resources or technical assistance it may be able to provide a governing body submitting a plan under this subdivision. Significant modifications and specific resolutions of items must be submitted to the ~~department~~ board and council, if appropriate, for review and comment. In the official newspaper of each local government unit proposed for combination, the governing body must publish at least a summary of the adopted plans, each significant modification and resolution of items, and the results of each ~~department~~ board and council, if appropriate, review and comment.

Sec. 12. Minnesota Statutes 1992, section 465.83, is amended to read:

465.83 [STATE AGENCY APPROVAL.]

Before scheduling a referendum on the question of combining local government units under section 465.84, the units shall submit the plan adopted under section 465.82 to the ~~commissioner~~ board. Metropolitan area units shall also submit the plan to the metropolitan council for review and comment. The ~~commissioner~~ board may require any

information it deems necessary to evaluate the plan. ~~The commissioner~~ board shall disapprove the proposed combination if ~~the commissioner~~ it finds that the plan is not reasonably likely to enable the combined unit to provide services in a more efficient or less costly manner than the separate units would provide them, or if the plans or plan modification are incomplete. If the combination of local government units is approved by the board under this section, the local units are not required to proceed under chapter 414 to accomplish the combination.

Sec. 13. Minnesota Statutes 1992, section 465.87, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A local government unit is eligible for aid under this section if the ~~commissioner~~ board has approved its plan to cooperate and combine under section 465.83.

Sec. 14. Minnesota Statutes 1992, section 465.87, is amended by adding a subdivision to read:

Subd. 1a. [ADDITIONAL ELIGIBILITY.] A local government unit is eligible for aid under this section if it has combined with another unit of government in accordance with chapter 414 and a copy of the municipal board's order combining the two units of government is forwarded to the board.

Sec. 15. [APPROPRIATION.]

\$1,200,000 is appropriated from the local government trust fund to the board of government innovation and cooperation for the purpose of making grants under this article, including grants made under Minnesota Statutes, section 465.80, and aid paid under Minnesota Statutes, section 465.87.

## ARTICLE 13

### TACONITE TAX

Section 1. Minnesota Statutes 1992, section 298.227, is amended to read:

#### 298.227 [TACONITE ECONOMIC DEVELOPMENT FUND.]

An amount equal to ~~10.4 cents per taxable ton~~ that distributed pursuant to each taconite producer's taxable production and qualifying sales under section 298.28, subdivision 9a, ~~for production years 1992 and 1993~~ shall be held by the iron range resources and rehabilitation board in a separate taconite economic development fund for each taconite producer. Money from the fund for each producer shall be released only on the written authorization of a joint committee consisting of an equal number of representatives of the salaried employees and the nonsalaried production and maintenance employees of that producer. The district 33 director of the United States Steelworkers of America, on advice of each local employee president, shall select the employee members. In nonorganized operations, the employee committee shall be elected by the nonsalaried production and maintenance employees. Each producer's joint committee may authorize release of the funds held pursuant to this section only for acquisition of equipment and facilities for the producer or for research and development in Minnesota on new mining, or taconite, iron, or steel production technology. Funds may be released only upon a majority vote of the representatives of the committee. Any portion of the fund which is not released by a joint committee within two years of its deposit in the fund shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 for placement in their respective special accounts. Two-thirds of the unreleased funds shall be distributed to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. This section is effective for taxes payable in 1993 and 1994.

Sec. 2. Minnesota Statutes 1992, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 124.918, subdivision 8, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator. On July 15, 1989, 1990, and 1991, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). In 1992 and 1993, the amount distributed per ton shall be the same as that determined for distribution in 1991. In 1994, the amount distributed per ton shall be equal to the amount per ton distributed in 1991 increased in the same proportion as the increase between the fourth quarter of 1988 ~~1989~~ and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. On July 15, 1995, and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. Each district shall receive the product of:

(i) \$175 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 1.8 percent times the district's taxable net tax capacity in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the sum of the amount certified pursuant to section 124A.03, subdivision 1g, in the previous year, plus the amount certified pursuant to section 124A.03, subdivision 1i, in the previous year, plus the referendum aid according to section 124A.03, subdivision 1h, for the current year, to the product of 1.8 percent times the district's taxable net tax capacity in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$175 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

Each district receiving money according to this paragraph shall reserve \$25 times the number of pupil units in the district. It may use the money for early childhood programs or for outcome-based learning programs that enhance the academic quality of the district's curriculum. The outcome-based learning programs must be approved by the commissioner of education.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

Sec. 3. Minnesota Statutes 1992, section 298.28, subdivision 7, is amended to read:

Subd. 7. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1989, 1990, and 1991 according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amount distributed per ton shall be the same as the amount distributed per ton in 1991. In 1994, the amount distributed shall be the distribution per ton for 1991 increased in the same proportion as the increase between the fourth quarter of ~~1988~~ 1989 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. That amount shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

Sec. 4. Minnesota Statutes 1992, section 298.28, subdivision 9a, is amended to read:

Subd. 9a. [TACONITE ECONOMIC DEVELOPMENT FUND.] (a) 10.4 cents per ton for distributions in 1993 and 15.4 cents per ton for distributions in 1994 shall be paid to the taconite economic development fund. No distribution shall be made under this subdivision paragraph in any year in which total industry production falls below 30 million tons.

(b) An amount equal to 50 percent of the tax under section 298.24 for concentrate sold in the form of pellet chips and fines not exceeding 1/4 inch in size and not including crushed pellets shall be paid to the taconite economic development fund. The amount paid shall not exceed \$700,000 annually for all companies. If the initial amount to be paid to the fund exceeds this amount, each company's payment shall be prorated so the total does not exceed \$700,000.

Sec. 5. Minnesota Statutes 1992, section 298.28, subdivision 10, is amended to read:

Subd. 10. [INCREASE.] The amounts determined under subdivisions 6, paragraph (a), and 9 shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. Those amounts shall be increased in 1989, 1990, and 1991 in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amounts determined under subdivisions 6, paragraph (a), and 9, shall be the distribution per ton determined for distribution in 1991. In 1994, the amounts determined under subdivisions 6, paragraph (a), and 9, shall be the distribution per ton determined for distribution in 1991 increased in the same proportion as the increase between the fourth quarter of ~~1988~~ 1989 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. Those amounts shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

The distributions per ton determined under subdivisions 5, paragraphs (b) and (d), and 6, paragraphs (b) and (c) for distribution in 1988 and subsequent years shall be the distribution per ton determined for distribution in 1987.

Sec. 6. [EFFECTIVE DATE.]

Section 4 is effective for production years beginning after December 31, 1992.

## ARTICLE 14

## MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET AND CASH FLOW RESERVE ACCOUNT.] A budget and cash flow reserve account is created in the general fund in the state treasury. The commissioner of finance shall, as authorized from time to time by law, restrict part or all of the budgetary balance in the general fund for use as the budget and cash flow reserve account. The commissioner of finance shall transfer from the budget and cash flow reserve account the amount necessary to bring the total amount, including any existing balance in the account on July 1, 1992 1993, to ~~\$240,000,000~~ \$360,000,000. The amounts restricted shall remain in the account until drawn down under subdivision 1 or increased under section 16A.1541.

Sec. 2. Minnesota Statutes 1992, section 16A.1541, is amended to read:

16A.1541 [ADDITIONAL REVENUES; PRIORITY.]

If on the basis of a forecast of general fund revenues and expenditures the commissioner of finance determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of finance must allocate money to the budget and cash flow reserve account until the total amount in the account equals five percent of total general fund appropriations for the current biennium as established by the most recent legislative session. Beginning in November 1990, forecast unrestricted budgetary general fund balances are first appropriated to restore the budget and cash flow reserve account to ~~\$550,000,000~~ \$500,000,000 and then to reduce the property tax levy recognition percent under section 121.904, subdivision 4a, to ~~27 percent~~ zero before money is allocated to the budget and cash flow reserve account under the preceding sentence.

The amounts necessary to meet the requirements of this section are appropriated from the general fund.

Sec. 3. Minnesota Statutes 1992, section 97A.061, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION.] (a) Except as provided in subdivision 3, the county treasurer shall allocate the payment among the county, towns, and school districts on the same basis as if the payments were taxes on the land received in the year. Payment of a town's or a school district's allocation must be made by the county treasurer to the town or school district within 30 days of receipt of the payment to the county. The county's share of the payment shall be deposited in the county general revenue fund.

(b) The county treasurer of a county with a population over 39,000 but less than 42,000 in the 1950 federal census shall allocate the payment only among the towns and school districts on the same basis as if the payments were taxes on the lands received in the current year.

Sec. 4. Minnesota Statutes 1992, section 97A.061, subdivision 3, is amended to read:

Subd. 3. [GOOSE MANAGEMENT CROPLANDS.] (a) The commissioner shall make a payment on July 1 of each year from the game and fish fund, to each county where the state owns more than 1,000 acres of crop land, for wild goose management purposes. The payment shall be equal to the taxes assessed on comparable, privately owned, adjacent land. The county treasurer shall allocate and distribute the payment as provided in subdivision 2.

(b) The land used for goose management under this subdivision is exempt from taxation as provided in sections 272.01 and 273.19.

Sec. 5. Minnesota Statutes 1992, section 243.23, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] Notwithstanding sections 241.26, subdivision 5, and 243.24, subdivision 1, the commissioner may promulgate rules for the disbursement of funds earned under subdivision 1, or other funds in an inmate account, and section 243.88, subdivision 2, for the support of families and dependent relatives of the respective inmates, for the payment of court-ordered restitution, contribution to any programs established by law to aid victims of crime provided that the contribution shall not be more than 20 percent of an inmate's gross wages, for the payment of restitution to the commissioner ordered by prison disciplinary hearing officers for damage to property caused by an inmate's conduct, and for the discharge of any legal obligations arising out of litigation under this subdivision.

The commissioner may authorize the payment of court-ordered restitution from an inmate's wages when the restitution was ordered by the court as a sanction for the conviction of an offense which is not the offense of commitment, including offenses which occurred prior to the offense for which the inmate was committed to the commissioner. An inmate of an adult correctional facility under the control of the commissioner is subject to actions for the enforcement of support obligations and reimbursement of any public assistance rendered the dependent family and relatives. The commissioner may conditionally release an inmate who is a party to an action under this subdivision and provide for the inmate's detention in a local detention facility convenient to the place of the hearing when the inmate is not engaged in preparation and defense.

Sec. 6. Minnesota Statutes 1992, section 270.07, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL POWERS OF COMMISSIONER.] Notwithstanding any other provision of law the commissioner of revenue may,

(a) based upon the administrative costs of processing, determine minimum standards for the determination of additional tax for which an order shall be issued, and

(b) based upon collection costs as compared to the amount of tax involved, determine minimum standards of collection, and

(c) based upon the administrative costs of processing, determine the minimum amount of refunds for which an order shall be issued and refund made where no claim therefor has been filed, and

(d) cancel any amounts below these minimum standards determined under (a) and (b) hereof, and

(e) based upon the inability of a taxpayer to pay a delinquent tax liability, abate the liability if the taxpayer agrees to perform uncompensated public service work for a state agency, a political subdivision or public corporation of this state, or a nonprofit educational, medical, or social service agency. The department of corrections shall administer the work program. No benefits under chapter 176 or 268 shall be available, but a claim authorized under section 3.739 may be made by the taxpayer. The state may not enter into any agreement that has the purpose of or results in the displacement of public employees by a delinquent taxpayer under this section. The state must certify to the appropriate bargaining agent or employees, as applicable, that the work performed by a delinquent taxpayer will not result in the displacement of currently employed workers or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits. The program authorized under this paragraph terminates June 30, 1993 1998.

Sec. 7. Minnesota Statutes 1992, section 270.66, is amended by adding a subdivision to read:

Subd. 4. [POLITICAL SUBDIVISION DEBTS.] (a) As used in this subdivision, "political subdivision" means counties and home rule charter or statutory cities, and "debts" means a legal obligation to pay a fixed amount of money, which equals or exceeds \$100 and which is due and payable to the claimant political subdivision.

(b) If one political subdivision owes a debt to another political subdivision, and the debt has not been paid within six months of the date when payment was due, the creditor political subdivision may notify the commissioner of revenue of the debt, and shall provide the commissioner with information sufficient to verify the claim. If the commissioner has reason to believe that the claim is valid, and the debt has not been paid, the commissioner shall initiate setoff procedures under this subdivision.

(c) Within ten days of receipt of the notification from the creditor political subdivision, the commissioner shall send a written notice to the debtor political subdivision, advising it of the nature and amount of the claim. This written notice shall advise the debtor of the creditor political subdivision's intention to request setoff of the refund against the debt.

The notice will also advise the debtor that the debt can be setoff against a state aid payment, and will advise the debtor of the right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the commissioner of revenue, which request the commissioner must receive within 45 days of the mailing date of the notice.

(d) If the commissioner receives written notice of a debtor political subdivision's intention to contest at hearing the claim upon which the intended setoff is based, the commissioner shall initiate a hearing according to contested case procedures established in the state administrative procedure act not later than 30 days after receipt of the debtor's request for a hearing. The costs of the hearing shall be paid equally by the political subdivisions that are parties to the hearing. The office of administrative hearings shall separately bill each political subdivision for one-half of the costs.

(e) If the debtor political subdivision does not object to the claim, or does not prevail in an objection to the claim or at a hearing on the claim, the commissioner of revenue shall deduct the amount of the debt from the next payment scheduled to be made to the debtor under section 273.1398 or chapter 477A. The commissioner shall remit the amount deducted to the claimant political subdivision.

Sec. 8. Minnesota Statutes 1992, section 270A.03, subdivision 7, is amended to read:

Subd. 7. [REFUND.] "Refund" means an individual income tax refund or political contribution refund, pursuant to chapter 290, or a property tax credit or refund, pursuant to chapter 290A.

For purposes of this chapter, lottery prizes, as set forth in section 349A.08, subdivision 8, shall be treated as refunds.

In the case of a joint property tax refund payable to spouses under chapter 290A, the refund shall be considered as belonging to each spouse in the proportion of the total refund that equals each spouse's proportion of the total income determined under section 290A.03, subdivision 3. The commissioner shall remit the entire refund to the claimant agency, which shall, upon the request of the spouse who does not owe the debt, determine the amount of the refund belonging to that spouse and refund the amount to that spouse.

Sec. 9. Minnesota Statutes 1992, section 270A.10, is amended to read:

270A.10 [PRIORITY OF CLAIMS.]

If two or more debts, in a total amount exceeding the debtor's refund, are submitted for setoff, the priority of payment shall be as follows: First, any delinquent tax obligations of the debtor which are owed to the department shall be satisfied. Secondly, the refund shall be applied to debts for child support based on the order in time in which the commissioner received the debts. Thirdly, the refund shall be applied to payment of restitution obligations. Fourthly, the refund shall be applied to the remaining debts based on the order in time in which the commissioner received the debts.

Sec. 10. Minnesota Statutes 1992, section 270B.01, subdivision 8, is amended to read:

Subd. 8. [MINNESOTA TAX LAWS.] For purposes of this chapter only, "Minnesota tax laws" means the taxes administered by or paid to the commissioner under chapters 289A (except taxes imposed under sections 298.01, 298.015, and 298.24), 290, 290A, 291, and 297A, and includes any laws for the assessment, collection, and enforcement of those taxes.

Sec. 11. Minnesota Statutes 1992, section 270B.14, subdivision 8, is amended to read:

Subd. 8. [EXCHANGE BETWEEN DEPARTMENTS OF LABOR AND INDUSTRY AND REVENUE.] ~~Notwithstanding any law to the contrary, The departments of labor and industry and revenue may exchange information on a reciprocal basis. Data that may be disclosed are limited to data used in determining whether a business is an employer or a contracting agent. as follows:~~

(1) data used in determining whether a business is an employer or a contracting agent;

(2) taxpayer identity information relating to employers for purposes of supporting tax administration and chapter 176; and

(3) data to the extent provided in and for the purpose set out in section 176.181, subdivision 8.

Sec. 12. Minnesota Statutes 1992, section 319A.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) A professional corporation may issue its stock only to and admit as a member only natural persons licensed to render a kind of professional service which the corporation is authorized to render or partnerships or professional corporations rendering the same kind of professional service. A person, partnership or professional corporation who becomes a shareholder or member of any such corporation may transfer its shares of stock or its membership only to a natural person, partnership or professional corporation to whom the corporation could have issued the shares of stock or membership. No proxy to vote any share in a professional corporation or membership may be given to a person who is not so licensed, nor may any voting trust be established with respect to the shares of the professional corporation unless all the voting trustees are natural persons so licensed.

(b) Notwithstanding paragraph (a), a professional corporation may issue its stock under this section to an employee stock ownership plan, as defined in section 4975(e)(7) of the Internal Revenue Code of 1986, as amended, if

(1) the voting trustees of the plan are natural persons licensed to render a kind of professional service which the corporation is authorized to render, and

(2) the shares are not directly issued to a person or entity not licensed to render a kind of advice which the corporation is authorized to render.

Sec. 13. Minnesota Statutes 1992, section 325D.33, is amended by adding a subdivision to read:

Subd. 8. [PENALTIES.] (a) A retailer who sells cigarettes for less than a legal retail price may be assessed a penalty in the full amount of three times the difference between the actual selling price and a legal price under sections 325D.30 to 325D.42. This penalty may be collected under the authorities given the commissioner in chapters 270 and 297, and the penalty shall bear interest at the rate prescribed by section 270.75, subdivision 5.

(b) A wholesaler who sells cigarettes for less than a legal price may be assessed a penalty in the full amount of three times the difference between the actual selling price and the legal price under sections 325D.30 to 325D.42. This penalty may be collected under the authorities given the commissioner in chapters 270 and 297, and the penalty shall bear interest at the rate prescribed by section 270.75, subdivision 5.

(c) A retailer who engages in a plan, scheme, or device with a wholesaler to purchase cigarettes at a price which the retailer knows to be less than a legal price may be assessed a penalty in the full amount of three times the difference between the actual purchase price and the legal price under sections 325D.30 to 325D.42. A retailer that coerces or requires a wholesaler to sell cigarettes at a price which the retailer knows to be less than a legal price may be assessed a penalty in the full amount of three times the difference between the actual purchase price and the legal price. These penalties may be collected under the authorities given the commissioner in chapters 270 and 297, and the penalties shall bear interest at the rate prescribed by section 270.75, subdivision 5.

For purposes of this subdivision, a retailer is presumed to know that a purchase price is less than a legal price if any of the following have been done:

(1) the commissioner has published the legal price in the Minnesota State Register;

(2) the commissioner has provided written notice to the retailer of the legal price;

(3) the commissioner has provided written notice to the retailer that the retailer is purchasing cigarettes for less than a legal price;

(4) the commissioner has issued a written order to the retailer to cease and desist from purchases of cigarettes for less than a legal price; or

(5) there is evidence that the retailer has knowledge of, or has participated in, efforts to disguise or misrepresent the actual purchase price as equal to or more than a legal price, when it is actually less than a legal price.

In any proceeding arising under this subdivision, the commissioner shall have the burden of providing by a reasonable preponderance of the evidence that the facts necessary to establish the presumption set forth in this section exist, or that the retailer had knowledge that a purchase price was less than the legal price.

(d) The commissioner may not assess penalties against any wholesaler, retailer, or combination of wholesaler and retailer, which are greater than three times the difference between the actual price and the legal price under sections 325D.30 to 325D.42.

Sec. 14. Minnesota Statutes 1992, section 325D.37, subdivision 3, is amended to read:

Subd. 3. Before selling cigarettes at a price set in good faith to meet competition, a wholesaler shall contact notify 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 in writing that it intends to meet a competitor's legal price. A wholesaler filing the notice shall be allowed to meet the competitor's price unless within seven days of receipt of the notice, the commissioner informs the wholesaler that the competitor's price is an illegal price.

Sec. 15. [325D.371] [PUBLICATION OF CIGARETTE PRICES.]

The commissioner shall publish in the State Register the presumed legal prices of all cigarettes as calculated pursuant to section 325D.32, subdivision 10. The prices must be published within one month of each recomputation, but not less than once each year.

Sec. 16. [383A.62] [ELECTIONS DEPARTMENT MERGER.]

The city of St. Paul and Ramsey county may, by agreement subject to this section, provide for the merger of the city elections office with the county election office. The consolidation shall be set to begin at the beginning of a fiscal year. In the preceding fiscal year and each year thereafter the county shall provide a budget and levy a property tax for the merged office that will defray the costs of the services provided throughout the county by the merged office. The county shall succeed to the obligations of the city under any collective bargaining agreements in existence at the time of the merger. Nothing in this section or in an agreement for merger under this section shall diminish any rights defined in collective bargaining agreements. The merger must not occur until bargaining units representing affected employees have completed negotiations on post-merger terms and conditions of employment. The county shall succeed to the other obligations and to the real and personal property of the merged city offices.

Sec. 17. Minnesota Statutes 1992, section 429.061, subdivision 1, is amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. If a county proposes to assess within the boundaries of a city for a county state-aid highway or county highway, including curbs, gutters, and storm sewers, the resolution must include the portion of the cost proposed to be assessed within the city. The county shall forward the resolution to the city and it may not proceed with the assessment procedure nor may the county allocate any cost under this section for property within the city unless the city council adopts the resolution approving the assessment. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, the total amount of the proposed assessment, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. The notice must also state that no appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment

to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality. In addition, the notice mailed to the owner must include state in clear language the following information:

- (1) the amount to be specially assessed against that particular lot, piece, or parcel of land;
- (2) adoption by the council of the proposed assessment may be taken at the hearing;
- (3) the right of the property owner to prepay the entire assessment and the person to whom prepayment must be made;
- (3) (4) whether partial prepayment of the assessment has been authorized by ordinance;
- (4) (5) the time within which prepayment may be made without the assessment of interest; and
- (5) (6) the rate of interest to be accrued if the assessment is not prepaid within the required time period.

Sec. 18. Minnesota Statutes 1992, section 469.169, is amended by adding a subdivision to read:

Subd. 9. [ADDITIONAL BORDER CITY ALLOCATIONS.] In addition to tax reductions authorized in subdivisions 7 and 8, the commissioner may allocate \$1,100,000 for tax reductions to border city enterprise zones in cities located on the western border of the state, and \$300,000 to the border city enterprise zone in the city of Duluth. The commissioner shall make allocations to zones in cities on the western border by evaluating which cities' applications for allocations relate to business prospects that have the greatest positive economic impact. Allocations made under this subdivision may be used for tax reductions as provided in section 469.171, or other offsets of taxes imposed on or remitted by businesses located in the enterprise zone, but only if the municipality determines that the granting of the tax reduction or offset is necessary in order to retain a business within or attract a business to the zone. Limitations on allocations under section 469.169, subdivision 7, do not apply to this allocation. Enterprise zones that receive allocations under this subdivision may continue in effect for purposes of those allocations through December 31, 1994.

Sec. 19. [473.334] [SPECIAL ASSESSMENT; AGREEMENT.]

Subdivision 1. [GENERALLY.] In determining the special benefit received by regional recreation open space system property as defined in sections 473.301 to 473.351 from an improvement for which a special assessment is determined, the governing body shall not consider any use of the property other than as regional recreation open space property at the time the special assessment is determined. The metropolitan council shall not be bound by the determination of the governing body of the city but may pay a lesser amount, as agreed upon by the metropolitan council and the governing body of the city, as they determine is the measure of benefit to the land from the improvement.

Subd. 2. [EXCEPTION.] This section does not apply to Otter-Bald Eagle lake regional park property in the town of White Bear, Ramsey county, which shall continue to be governed by section 435.19.

Sec. 20. Minnesota Statutes 1992, section 477A.14, is amended to read:

477A.14 [USE OF FUNDS.]

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

- (a) 37.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, within 30 days of receipt of the payment to the county, the county treasurer shall pay each organized township ~~shall receive~~ 30 cents per acre of acquired natural resources land and 7.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

Sec. 21. [UNEMPLOYMENT TAX ADMINISTRATION; STUDY.]

The commissioner of revenue and the commissioner of jobs and training shall study the feasibility of transferring the responsibility for collection of unemployment taxes from the department of jobs and training to the department of revenue. The commissioners must present their report to the legislature by February 1, 1994.

Sec. 22. [ST. PAUL; SPECIAL ASSESSMENTS.]

Subdivision 1. [POWERS.] The city of St. Paul may by ordinance choose to exercise the powers provided by this section in place of those provided by Minnesota Statutes, section 429.101, subdivision 1, but in accordance with the provisions of Minnesota Statutes, section 429.101, subdivisions 2 and 3. In addition to any method authorized by law or charter, the city may provide for the collection of unpaid special charges for all or any part of the following costs:

- (1) snow, ice, rubbish, or litter removal from public parking facilities;
- (2) the operation, including maintenance and repair, of lighting systems for public parking facilities; or
- (3) the operation, including maintenance and repair, of public parking facilities.

Subd. 2. [SPECIAL ASSESSMENTS.] The costs listed in subdivision 1 may be collected as a special assessment against the property benefited.

Subd. 3. [REGULATIONS.] The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for collection of actual or estimated charges from the property owner or other person served before the unpaid charges are made a special assessment.

Subd. 4. [ADJUSTMENT.] If estimated charges are collected and, based upon subsequent actual costs, found to be excessive or deficient, subsequent charges shall be reduced by the excess or increased by the deficiency.

Sec. 23. [ST. PAUL HOUSING LOAN AND GRANT PROGRAM.]

Subdivision 1. [HOUSING REHABILITATION LOAN PROGRAM.] The city of Saint Paul may develop and administer a housing rehabilitation loan program with respect to residential property located anywhere within its boundaries on the terms and conditions as it determines. In approving applications for the program, the following factors must be considered:

- (1) the availability of other governmental programs affordable by the applicant;
- (2) the availability and affordability of private market financing;
- (3) whether the housing is required, pursuant to an urban renewal program or a code enforcement program, to be repaired, improved, or rehabilitated;
- (4) whether the housing is required, pursuant to a court order issued under Minnesota Statutes, section 566.25, clauses (b), (c), and (e), to be repaired, improved, or rehabilitated;

(5) whether the housing has been determined to be uninsurable because of physical hazards after inspection pursuant to a statewide property insurance plan approved by the United States Department of Housing and Urban Development under Title XII of the National Housing Act; and

(6) whether rehabilitation of the housing will maintain or improve the value of the housing and will help to stabilize the neighborhood in which the housing is located.

All loans and grants shall be issued primarily for rehabilitating housing so that it meets applicable housing codes, building codes, and health and safety codes, and to make other necessary improvements.

Subd. 2. [NEW RESIDENTIAL DWELLING UNITS.] A housing rehabilitation loan program undertaken under subdivision 1 may also provide for the city to make or purchase loans made to finance the acquisition of single-family residences and multifamily housing projects that have been newly constructed in established neighborhoods on land owned by the city or any agency of the city. For purposes of this subdivision, land shall be considered to be owned by the city if the city or one of its agencies previously owned the land and conveyed it to an individual, partnership, or other entity under a development agreement in which the developer has agreed to construct single-family housing or one or more multifamily housing projects on the land. In approving applications for a loan to be made under this subdivision, the following factors shall be considered:

(1) the availability and affordability of other governmental programs or private market financing; and

(2) whether the construction of the housing enhances the stability of the neighborhood in which it is located.

Subd. 3. [HOUSING REHABILITATION GRANT PROGRAM.] The city of St. Paul may develop and administer a housing rehabilitation grant program with respect to property within its boundaries, on the terms and conditions as it determines. In approving applications for grants used under this program, all of the considerations and limitations enumerated in subdivision 2 for loans must be considered and the following factors must also be considered:

(1) whether the housing unit is a single-family dwelling, homesteaded unit, or multifamily housing project; and

(2) whether the applicant is a person of low income.

The city council shall by ordinance set forth the regulations for its grant program. The dollar value of grants made shall not exceed five percent of the total value of the bonds issued for both the loan and the grant programs. All grants shall be made primarily to rehabilitate housing so that it meets applicable housing codes, building codes, and health and safety codes or to make other necessary improvements.

Subd. 4. [ISSUANCE OF BONDS.] To finance the programs authorized by this section, the governing body of the city of Saint Paul may, by resolution, authorize, issue, and sell general obligation bonds of the city of Saint Paul, with or without an election, and otherwise in accordance with the provisions of chapter 475. The total amount of all bonds outstanding at any time for the program authorized by this section shall not exceed \$25,000,000. The amount of all bonds issued shall be included in the net indebtedness of the city for the purpose of any charter or statutory debt limitation.

Subd. 5. [AUTHORITY MAY UNDERTAKE PROGRAM; AUTHORITY GENERAL OBLIGATION REVENUE BONDS.] The Saint Paul housing and redevelopment authority may exercise the powers of the city under this section, except that the regulations required by subdivision 3 must be enacted by an ordinance of the city. To finance the programs authorized by this section, the authority may issue bonds and pledge the full faith and credit and taxing power of the city as additional security for bonds payable from the income or revenues of a program or from the income or revenues of specific projects undertaken pursuant to a program, in the manner authorized by Minnesota Statutes, section 469.034, subdivision 2, except that the program may consist of a program of loans or grants for single-family housing or multifamily housing projects, and except that in lieu of the limit stated in section 469.034, subdivision 2, the maximum amount of bonds that may be outstanding at any time under this subdivision, together with the principal amount of bonds outstanding at any time under subdivision 4, shall not exceed the amount stated in subdivision 4. Each residential dwelling unit must be purchased or occupied by the elderly, or a person or family with income not greater than 175 percent of the median family income for the Minneapolis-Saint Paul metropolitan statistical area as estimated by the United States Department of Housing and Urban Development.

Subd. 6. [POWERS SUPPLEMENTAL; OWNERSHIP.] The powers granted by this subdivision supplement the powers granted to the city or authority by any other general or special law. Notwithstanding any contrary provision of any general or special law, single-family residences or multifamily housing projects financed by the city or authority pursuant to this subdivision may be owned by the city or authority or by a private person or entity. Except for properties that are part of a lease purchase program, the city or authority shall not own projects financed under this section for more than two years.

Sec. 24. [GOODHUE COUNTY; COUNTY REDEVELOPMENT AUTHORITY.]

Subdivision 1. [ESTABLISHMENT.] The Goodhue county board may, by adopting a written enabling resolution, establish a county redevelopment authority that, subject to subdivision 2, has the following powers: powers of an economic development authority under Minnesota Statutes, sections 469.090 to 469.1081, except for the authority to issue general obligation bonds under Minnesota Statutes, section 469.102; powers of a rural development financing authority under Minnesota Statutes, sections 469.142 to 469.151; and powers of a housing and redevelopment authority under Minnesota Statutes, chapter 462.

Subd. 2. [ECONOMIC DEVELOPMENT AUTHORITY POWERS.] If the Goodhue county redevelopment authority exercises the powers of an economic development authority, the county may exercise all of the powers relating to an economic development authority granted to a city under Minnesota Statutes, sections 469.090 to 469.1081, including a tax levy to support the activities of the authority. The authority may create and define the boundaries of economic development districts at any place or places within the county. Minnesota Statutes, section 469.174, subdivision 10, and the contiguity requirement specified under Minnesota Statutes, section 469.101, subdivision 1, do not apply to limit the areas that may be designated as county economic development districts.

Subd. 3. [LIMIT OF POWERS.] (a) The enabling resolution may impose the following limits on the actions of the authority:

(1) that the authority may not exercise any of the powers contained in subdivision 1 unless those powers are specifically authorized in the enabling resolution; and

(2) any other limitation or control established by the county board by the enabling resolution.

(b) The enabling resolution may be modified at any time by the written resolution of the county board. All modifications to the enabling resolution must be by written resolution.

(c) Before the authority begins a project, the governing body of the municipality in which the project is to be located or the Goodhue county board, if the project is outside municipal corporate limits, must approve the project by majority vote as recommended by the authority.

Subd. 4. [BOARD OF DIRECTORS.] (a) The authority consists of a board of seven directors. The directors shall be appointed by the Goodhue county board. Each director shall be appointed to serve for three years or until a successor is appointed. No director may serve more than two consecutive terms. The appointment of directors must reflect representation of the entire county. The other two directors must be representatives of various county-based economic development organizations.

(b) Two of the directors initially appointed shall serve for terms of one year, two for two years, and three for three years. Each vacancy must be filled for the unexpired term. A vacancy occurs if a director no longer resides in the county. A director may be removed by the county board for inefficiency, neglect of duty, or misconduct in office.

(c) The county administrator or the designee of the county administrator shall be the executive secretary of the county redevelopment authority.

(d) The directors shall receive no compensation other than reimbursement for expenses incurred in the performance of their duties.

Sec. 25. [APPROPRIATION.]

\$301,000 is appropriated for fiscal year 1994 and \$119,000 is appropriated for fiscal year 1995 from the general fund to the commissioner of revenue for the purpose of meeting the cost to the department of revenue of administering the provisions of this act.

Sec. 26. [REPEALER.]

Minnesota Statutes 1992, section 325D.33, subdivision 7, is repealed.

Sec. 27. [EFFECTIVE DATE.]

Sections 3, 4, and 20 are effective for payments received by the county after June 30, 1993.

Section 7 is effective for debts incurred after July 31, 1993.

Section 8 is effective for property tax refunds paid after December 31, 1992.

Section 10 is effective retroactively to April 25, 1992.

Sections 14 and 15 are effective August 1, 1993. Section 13, paragraphs (a), (b), and (d), are effective the day following final enactment. Section 13, paragraph (c), is effective May 29, 1987, except that in any proceeding under paragraph (c) that arises out of purchases that occurred prior to August 1, 1993, the penalties shall not exceed the difference between the actual purchase price and the legal price. Section 26 is effective May 29, 1987.

Sections 16, 22, 23, and 24 are effective the day following final enactment and without local approval, as provided in Minnesota Statutes, section 645.023, subdivision 1, clause (a)."

Delete the title and insert:

"A bill for an act relating to the financing and operation of state and local government; revising the operation of the local government trust fund; modifying the administration, computation, collection, and enforcement of taxes; changing tax rates, bases, credits, exemptions, withholding, and payments; modifying property tax provisions relating to procedures, valuation, levies, classifications, exemptions, notices, hearings, and assessors; adjusting formulas of state aids to local governments; providing for the establishment and operation of special service districts; authorizing establishment of an ambulance district; modifying definitions in the property tax refund law and providing a source of funding for the refunds; authorizing and changing requirements for special assessments; modifying provisions governing the establishment and operation of tax increment financing districts; establishing a process by which local governments may obtain waivers of state rules and laws establishing procedures; establishing a board of government innovation and cooperation and authorizing it to provide grants to encourage cooperation and innovation by local governments; authorizing imposition of local taxes; imposing a sports bookmaking tax; changing certain bonding and local government finance provisions; enacting provisions relating to certain cities, counties, and special taxing districts; imposing a tax on contaminated property and providing for use of the proceeds; conforming with changes in the federal income tax law; limiting deductions for compensation paid to employees; clarifying an income tax apportionment formula; modifying sales tax exemption and collection provisions; modifying taconite production tax provisions, and increasing the distribution of the proceeds to the taconite economic development fund; modifying the availability of tax incentives and preferences; providing additional allocations to border city enterprise zones; providing for a budget and cash flow reserve account transfer; revising penalty, notification, and publication provisions of the unfair cigarette sales act; changing definitions; making technical corrections and clarifications; providing for studies; classifying data; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 16A.15, subdivision 6; 16A.1541; 16A.712; 17A.03, subdivision 5; 31.51, subdivision 9; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 82.19, by adding a subdivision; 97A.061, subdivisions 2 and 3; 103B.635, subdivision 2; 115B.22, subdivision 7; 134.001, by adding a subdivision; 134.35, subdivision 1; 134.351, subdivision 4; 204D.19, by adding a subdivision; 205.10, by adding a subdivision; 205A.05, subdivision 1; 239.785; 243.23, subdivision 3; 256E.06, subdivision 12; 270.06; 270.07, subdivision 3; 270.41; 270.66, by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 270A.10; 270B.01, subdivision 8; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 272.01, subdivision 3; 272.02, subdivisions 1 and 4; 272.115, subdivisions 1 and 4; 273.061, subdivisions 1 and 8; 273.11, subdivisions 1, 5, 6a, 13, and by adding subdivisions; 273.112, subdivision 3, and by adding a subdivision; 273.121; 273.124, subdivisions 1, 9, 13, and by adding subdivisions; 273.13, subdivisions 23, 24, 25, and 33; 273.1318, subdivision 1; 273.135, subdivision 2; 273.1398, subdivisions 1, 2, and by adding a subdivision; 273.1399, subdivision 1; 273.33, subdivision 2; 275.065, subdivisions 3, 5a, 6, and by adding a subdivision; 275.07, subdivision 1, and by adding a subdivision; 276.02; 276.04,

subdivision 2; 279.37, subdivision 1a; 289A.09, by adding a subdivision; 289A.18, subdivision 4; 289A.20, subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivisions 3 and 7; 289A.40, by adding a subdivision; 289A.50, subdivision 5; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 289A.63, subdivision 3; 290.01, subdivisions 7, 19, 19a, and 19c; 290.0671, subdivision 1; 290.091, subdivisions 2 and 6; 290.0921, subdivision 3; 290.191, subdivision 4; 290A.03, subdivisions 3, 7, and 8; 290A.04, subdivision 2h, and by adding a subdivision; 290A.23; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.01, by adding a subdivision; 296.02, subdivision 8; 296.14, subdivision 1; 296.18, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6, 13, 15, and 16; 297A.04; 297A.06; 297A.07, subdivision 1; 297A.11; 297A.136; 297A.14, subdivision 1; 297A.25, subdivisions 3, 7, 11, 16, 34, 41, and by adding a subdivision; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 298.227; 298.27; 298.28, subdivisions 4, 7, 9a, and 10; 298.75, subdivisions 4 and 5; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 319A.11, subdivision 1; 325D.33, by adding a subdivision; 325D.37, subdivision 3; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; 375.192, subdivision 2; 429.061, subdivision 1, and by adding a subdivision; 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83; 465.87, subdivision 1, and by adding a subdivision; 469.012, subdivision 1; 469.040, subdivision 3; 469.169, by adding a subdivision; 469.174, subdivisions 19, 20, and by adding a subdivision; 469.175, subdivision 1, and by adding subdivisions; 469.176, subdivisions 1, 4, 4c, 4e, and 4g; 469.177, subdivisions 1 and 8; 469.1831, subdivision 4; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 4; 473.249, subdivision 2; 473.446, subdivision 8; 473.711, subdivision 5; 473.843, subdivision 3; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; 477A.03, subdivision 1; and 477A.14; Laws 1953, chapter 387, section 1; Laws 1969, chapter 561, section 1; Laws 1971, chapters 373, sections 1 and 2; and 455, section 1; and Laws 1985, chapter 302, sections 1, subdivision 3; 2, subdivision 1; and 4; proposing coding for new law in Minnesota Statutes, chapters 17; 116j; 134; 270; 272; 296; 297A; 325D; 349; 383A; 465; 469; and 473; repealing Minnesota Statutes 1992, sections 115B.24, subdivision 10; 272.115, subdivision 1a; 273.124, subdivision 16; 273.1398, subdivision 5; 275.07, subdivision 3; 325D.33, subdivision 7; 383C.78; 477A.011, subdivisions 3a, 15, 16, 17, 18, 22, 23, 25, and 26; 477A.013, subdivisions 2, 3, and 5; Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1, 2, and 3."

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

House Conferees: ANN H. REST, EDGAR OLSON, IRV ANDERSON, JEAN WAGENIUS AND DEE LONG.

Senate Conferees: DOUGLAS J. JOHNSON, EMBER D. REICHGOTT, CAROL FLYNN, JOHN C. HOTTINGER AND WILLIAM V. BELANGER, JR.

Rest moved that the report of the Conference Committee on H. F. No. 1735 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1735, A bill for an act relating to the financing and operation of government in Minnesota; revising the operation of the local government trust fund; modifying the administration, computation, collection, and enforcement of taxes; imposing taxes; changing tax rates, bases, credits, exemptions, withholding, and payments; modifying proposed tax notice and hearing requirements; modifying aids to local governments; modifying provisions relating to property tax valuations, classifications, and levies; changing tax increment financing provisions; changing the amount in the budget and cash flow reserve account; authorizing imposition of local taxes; updating references to the Internal Revenue Code; changing certain bonding and local government finance provisions; changing definitions; making technical corrections and clarifications; providing for grants and loans in certain cases; enacting provisions relating to certain cities, counties, and special taxing districts; prescribing penalties; appropriating money; amending Minnesota Statutes 1992, sections 16A.15, subdivision 6; 16A.1541; 17A.03, subdivision 5; 31.51, subdivision 9; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 97A.061, subdivisions 2 and 3; 103B.635, subdivision 2, as amended; 115B.22, subdivision 7; 124.2131, subdivision 1; 134.001, by adding a subdivision; 134.351, subdivision 4; 239.785; 256E.06, subdivision 12; 270.06; 270.07, subdivision 3; 270.41; 270.70, subdivision 1; 270A.10; 270B.01, subdivision 8; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 272.02,

subdivisions 1 and 4; 272.115, subdivisions 1 and 4; 273.061, subdivisions 1 and 8; 273.11, subdivisions 1, 6a, 13, and by adding subdivisions; 273.112, by adding a subdivision; 273.121; 273.124, subdivisions 1, 9, 13, and by adding subdivisions; 273.13, subdivisions 23, 24, 25, and 33; 273.135, subdivision 2; 273.1398, subdivisions 1, 2, and by adding subdivisions; 273.33, subdivision 2; 275.065, subdivisions 1, 3, 5a, 6, and by adding a subdivision; 275.07, subdivision 1, and by adding a subdivision; 275.08, subdivision 1d; 276.02; 276.04, subdivision 2; 279.37, subdivision 1a; 289A.09, by adding a subdivision; 289A.18, subdivision 4; 289A.20, subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivision 3; 289A.50, subdivision 5; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 290.01, subdivisions 7, 19, 19a, and 19c; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; 290.0921, subdivision 3; 290A.03, subdivisions 3, 7, and 8; 290A.04, subdivision 2h, and by adding a subdivision; 290A.23; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.01, by adding a subdivision; 296.02, subdivision 8; 296.03; 296.14, subdivision 1; 296.18, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6, 13, and 15; 297A.136; 297A.14, subdivision 1; 297A.25, subdivisions 3, 7, 11, 16, 34, 41, and by adding a subdivision; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 298.75, subdivisions 4 and 5; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 319A.11, subdivision 1; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; 375.192, subdivision 2; 429.061, subdivision 1; 469.012, subdivision 1; 469.174, subdivisions 19 and 20; 469.175, by adding a subdivision; 469.176, subdivisions 1 and 4e; 469.1763, by adding a subdivision; 469.177, subdivisions 1 and 8; 469.1831, subdivision 4; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 4; 473.249, subdivision 2; 473.843, subdivision 3; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; 477A.03, subdivision 1; and 477A.14; Laws 1953, chapter 387, section 1; Laws 1969, chapter 561, section 1; Laws 1971, chapters 373, sections 1 and 2; 455, section 1; Laws 1985, chapter 302, sections 3; 2, subdivision 1; and 4; proposing coding for new law in Minnesota Statutes, chapters 17; 116; 134; 270; 272; 273; 295; 297A; 383A; and 469; repealing Minnesota Statutes 1992, sections 115B.24, subdivision 10; 272.115, subdivision 1a; 273.1398, subdivision 5; 275.07, subdivision 3; 297A.01, subdivision 16; 297A.25, subdivision 42; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5; Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1 to 3.

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

The question was taken on the repassage of the bill and the roll was called. There were 78 yeas and 54 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 129:

Carruthers, Pugh and Macklin.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 584:

Jennings, Lynch and Pugh.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 994:

Blatz; Skoglund; Brown, C.; Jefferson and Lourey.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1205:

Clark, Dawkins and Pawlenty.

There being no objection, the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 988, A bill for an act relating to game and fish; allowing the taking of two deer in designated counties; amending Minnesota Statutes 1992, section 97B.301, subdivisions 2, 4, and by adding a subdivision.

PATRICK E. FLAHAVER, Secretary of the Senate

Sparby moved that the House refuse to concur in the Senate amendments to H. F. No. 988, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 1151, A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

PATRICK E. FLAHAVEN, Secretary of the Senate

Dauner moved that the House refuse to concur in the Senate amendments to H. F. No. 1151, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. No. 1570.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1570

A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; transferring responsibilities to the commissioner of natural resources; continuing the citizen's council on Voyageurs national park; providing for crop protection assistance; changing certain license fees; imposing a solid waste assessment; modifying the hazardous waste generator tax; establishing a hazardous waste generator loan program; expanding the number of facilities subject to pollution prevention requirements; providing for membership on the legislative commission on Minnesota resources; requiring a toxic air contaminant strategy; amending Minnesota Statutes 1992, sections 17.59, subdivision 5; 17A.11; 18B.05, subdivision 2; 18C.131; 21.115; 21.92; 25.39, subdivision 4; 27.07, subdivision 6; 32.394, subdivision 9; 32A.05, subdivision 4; 41A.09, by adding a subdivision; 84.027, by adding a subdivision; 85.016; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 97A.055, subdivision 1, and by adding a subdivision; 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 1 and 4; 97A.441, by adding a subdivision; 97A.475, subdivision 12; 97C.355, subdivision 2; 103F.725, by adding a subdivision; 115A.96, subdivisions 3 and 4; 115B.22, by adding subdivisions; 115B.24, subdivision 6; 115B.42, subdivision 2; 115D.07, subdivision 1; 115D.10; 115D.12, subdivision 2; 116J.401; 116P.05, subdivision 1; 116P.10; 116P.11; 160.265; 297A.45, by adding a subdivision; 299K.08, by adding a subdivision; 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 97A; 115A; 115B; and 115D; repealing Minnesota Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 2, 3, and 4; 97B.715, subdivision 1; 97B.801; 97C.305; 115B.21, subdivisions 4 and 6; 115B.22, subdivisions 1, 2, 3, 4, 5, and 6.

May 6, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1570, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1570 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [ENVIRONMENT AND NATURAL RESOURCES; APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1994	1995	TOTAL
General	\$147,433,000	\$143,836,000	\$291,269,000
Environmental	29,568,000	30,028,000	59,596,000
Metro Landfill Contingency Trust	797,000	797,000	1,594,000
Special Revenue	10,316,000	10,351,000	20,667,000
Natural Resources	18,066,000	17,547,000	35,613,000
Game and Fish	52,110,000	53,201,000	105,311,000
Permanent School Trust	374,000	104,000	478,000
Minnesota Resources	14,662,000		14,662,000
Environmental Trust	24,600,000		24,600,000
Oil Overcharge	2,012,000		2,012,000
<b>TOTAL</b>	<b>299,938,000</b>	<b>255,864,000</b>	<b>555,802,000</b>

#### APPROPRIATIONS Available for the Year Ending June 30

1994	1995
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#### Sec. 2. POLLUTION CONTROL AGENCY

Subdivision 1. Total Appropriation	38,888,000	37,140,000
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##### Summary by Fund

General	9,230,000	6,822,000
Environmental	28,006,000	28,666,000
Metro Landfill		
Contingency	797,000	797,000
Special Revenue	855,000	855,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

#### Subd. 2. Water Pollution Control

7,865,000	5,418,000
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##### Summary by Fund

General	5,873,000	3,426,000
Environmental	1,992,000	1,992,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$1,946,000 the first year is for grants to local units of government for the clean water partnership program. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$500,000 the first year is appropriated for Minnesota's contribution to the Great Lakes Protection Fund. This is the final payment of a \$1,500,000 obligation.

General fund money appropriated for the nonpoint source pollution Minnesota River project must be matched by federal dollars.

Subd. 3. Air Pollution Control

	6,222,000	6,398,000
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Summary by Fund

Environmental	5,367,000	5,543,000
Special Revenue	855,000	855,000

Subd. 4. Groundwater and Solid Waste Pollution Control

	13,137,000	13,329,000
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Summary by Fund

Environmental	12,348,000	12,540,000
Metro Landfill		
Contingency	789,000	789,000

All money in the environmental response, compensation, and compliance account in the environmental fund not otherwise appropriated is appropriated to the commissioners of the pollution control agency and the department of agriculture for purposes of Minnesota Statutes, section 115B.20, subdivision 2, clauses (1), (2), (3), (4), (11), (12), and (13). At the beginning of each fiscal year, the two commissioners shall jointly submit an annual spending plan to the commissioner of finance that maximizes the utilization of resources and appropriately allocates the money between the two agencies. This appropriation is available until June 30, 1995.

\$3,800,000 the first year and \$4,000,000 the second year is from the landfill cleanup account in the environmental fund for the purposes specified in Minnesota Statutes, section 115B.42. This appropriation may be used for staff costs related to response actions at landfills under Minnesota Statutes, chapter 115B.

All money in the metropolitan landfill abatement account in the environmental fund not otherwise appropriated is appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council shall report to the legislative commission on waste management its budget and work program for spending this appropriation.

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994 1995

The commissioner of the pollution control agency shall evaluate the feasibility of using a 900 telephone number as a means of ensuring that the agency recovers its costs for the property transfer program under Minnesota Statutes, section 115B.17, subdivision 14.

Any unencumbered balance from the metropolitan landfill contingency action trust fund remaining in the first year does not cancel but is available for the second year.

Subd. 5. Hazardous Waste Pollution Control

4,988,000	5,027,000
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Summary by Fund

General	1,595,000	1,634,000
Environmental	3,393,000	3,393,000

\$250,000 the first year and \$250,000 the second year is from the environmental fund for the purposes of the hazardous waste generator loan program established in section 115B.223.

The commissioner of the pollution control agency shall evaluate the feasibility of using a 900 telephone number as a means of ensuring that the agency recovers its costs of providing assistance under Minnesota Statutes, section 115C.03, subdivision 9.

Subd. 6. Regional Support

52,000	52,000
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This appropriation is from the environmental fund.

Subd. 7. General Support

6,624,000	6,916,000
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Summary by Fund

General	1,762,000	1,762,000
Environmental	4,854,000	5,146,000
Metro Landfill Contingency	8,000	8,000

(a) The following amounts are appropriated for Phase I of an environmental computer compliance management system:

General	400,000	400,000
Environmental	1,309,000	1,599,000

From the environmental fund, \$381,000 the first year and \$420,000 the second year are appropriated from the agency's indirect cost account; \$350,000 the first year is appropriated from the balance in the hazardous waste fee account; \$200,000 the first year is appropriated from the balance in the low level radiation fee account;

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$790,000 the second year is appropriated from the unexpended balance in the motor vehicle transfer fee account; and \$378,000 the first year and \$389,000 are appropriated proportionately from all salary accounts in the environmental fund.

The project must be coordinated to access department of natural resources computer information. The commissioner must report on the project to the house ways and means and senate finance committee by July 1, 1995.

(b) \$150,000 is appropriated in each of fiscal years 1994 and 1995 to the commissioner of the pollution control agency from the motor vehicle transfer account in the environmental fund for the purpose of making grants for development of management alternatives for shredder residue under article 2, section 29. The unencumbered balance remaining in the first year does not cancel but is available for the second year and any amount of this appropriation not used to make grants under article 2, section 29 reverts to the motor vehicle transfer account on June 30, 1995.

(c) \$140,000 is appropriated to the commissioner of the pollution control agency from the motor vehicle transfer account in the environmental fund for the purpose of studying management of shredder residue from motor vehicles, appliances, and other sources of recyclable steel and administering the grants authorized under article 2, section 29.

(d) None of the money appropriated in paragraphs (b) and (c) may be spent unless the legislative commission on waste management has approved a work program prepared by the commissioner of the pollution control agency.

Sec. 3. OFFICE OF WASTE MANAGEMENT

Subdivision 1. Total Appropriation

20,229,000

20,214,000

Summary by Fund

General	19,139,000	19,124,000
Environmental	1,090,000	1,090,000

Notwithstanding any other law to the contrary, any outstanding obligations that may be held in St. Louis county for grants and loans issued to the county for construction or operation of the Babbitt waste tire facility under Minnesota Statutes 1986, section 116M.07; Minnesota Statutes, section 115A.54, subdivision 2a; or 298.22; shall be suspended until June 30, 1995.

The amounts that may be spent from this appropriation for each program are specified in the following sections.

Subd. 2. Business Assistance

2,960,000

2,819,000

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Summary by Fund

General	1,870,000	1,729,000	
Environmental	1,090,000	1,090,000	

\$1,327,000 the first year and \$1,332,000 the second year are for grants for market development, source reduction, and pollution prevention. Of these amounts, \$103,000 the first year and \$190,000 the second year from the environmental fund, and \$47,000 the first year and \$50,000 the second year from the general fund, are for pollution prevention grants. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$100,000 the first year and \$100,000 the second year are from the environmental fund for payment of a grant to the Minnesota technical assistance program and for pollution prevention assistance.

Notwithstanding Minnesota Statutes, chapter 115A, money from this appropriation may, at the discretion of the director, be used for demonstration or pilot programs for farm animal waste management techniques or facilities. This money may not be used for these programs unless the director has notified the chairs of the legislative committees or divisions with jurisdiction over appropriations for environmental and natural resources activities.

Subd. 3. Citizen Outreach

	696,000	696,000	
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Subd. 4. Local Government Assistance

	15,437,000	15,556,000	
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\$14,008,000 the first year and \$14,008,000 the second year are for the SCORE block grants to counties.

Subd. 5. Research and Policy Development

	324,000	324,000	
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Subd. 6. Administrative Assistance

	812,000	819,000	
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Sec. 4. ZOOLOGICAL BOARD

Subdivision 1. Total Appropriation

	5,048,000	5,051,000
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The amounts that may be spent from this appropriation are specified in the following subdivisions.

Subd. 2. Biological Programs

	755,000	651,000	
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## Subd. 3. Enterprise Program

	92,000	94,000
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## Subd. 4. Operations

	4,201,000	4,306,000
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## Sec. 5. NATURAL RESOURCES

## Subdivision 1. Total Appropriation

151,154,000

151,192,000

## Summary by Fund

General	80,604,000	80,340,000
Game and Fish	52,110,000	53,201,000
Natural Resources	18,066,000	17,547,000
Permanent School	374,000	104,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Any unencumbered balances remaining in the first year from appropriations made in this section for organizational realignment do not cancel, but are available for the second year.

## Subd. 2. Mineral Resources Management

	4,751,000	4,714,000
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\$311,000 the first year and \$311,000 the second year are for iron ore cooperative research, of which \$225,000 the first year and \$225,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$375,000 the first year and \$375,000 the second year are for mineral diversification. Any unencumbered balance remaining in the first year does not cancel but is available for the second year. The commissioner is authorized one position in the unclassified service for minerals diversification.

The commissioner of natural resources, before adopting amendments to the mineland reclamation rules governing permits to mine for taconite and iron ore mining operations, shall study how to effectively implement the financial assurance requirements of Minnesota Statutes, section 93.49. The commissioner, by June 30, 1994, shall submit a report to the legislature containing:

(1) an analysis of the types of financial assurance used for mineland reclamation, including the availability, strengths, and weaknesses of the different types;

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(2) an analysis of the feasibility of establishing financial assurance pools; and

(3) recommendations for procedures to phase financial assurance requirements in over a period of years for ferrous mine operations.

The commissioner shall solicit and receive advice from the ferrous mining industry, environmental organizations, the state investment board, the Iron Range Resources and Rehabilitation Board, and the Minnesota pollution control agency.

\$30,000 the first year and \$45,000 the second year are for minerals cooperative environmental research, of which \$20,000 the first year and \$35,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$20,000 is appropriated in 1994 for a project to be completed in cooperation with the Iron Range Resources and Rehabilitation Board and the department of trade and economic development utilizing available information on iron product production in Minnesota, steel production using the newest mini mill technology and steel market projections to produce a report on the feasibility of locating a steel mill in northern Minnesota. This report is to be completed by March 31, 1994.

Subd. 3. Water Resources Management

	7,985,000	7,747,000
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Summary by Fund

General	7,884,000	7,643,000
Natural Resources	101,000	104,000

\$35,000 the first year is for reimbursement of the cost of emergency flood damage repairs to the dike on the Root river in Hokah township, section 32. The commissioner of natural resources shall pursue any federal funds that might be available for this project.

\$180,000 is for payment of a grant to the metropolitan council for development of a mathematical, state-of-the-art groundwater model for the seven-county metropolitan area. The funds are available for the biennium ending June 30, 1995. This appropriation is available only if matched by \$150,000 from nonstate sources.

\$40,000 is appropriated in 1994 for bank stabilization on the Middle River-Snake River Watershed. The money must be matched by nonstate funds.

Subd. 4. Forest Management

	27,200,000	26,805,000
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Summary by Fund

General	26,546,000	26,130,000
Game and Fish	321,000	331,000
Natural Resources	333,000	344,000

\$735,000 the first year and \$735,000 the second year are for presuppression and suppression costs of emergency fire fighting. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. If these appropriations are insufficient to cover all costs of suppression, the amount necessary to pay for emergency firefighting expenses during the biennium is appropriated from the general fund.

\$114,000 the first year and \$114,000 the second year are for transfer to the board of water and soil resources for grants to soil and water conservation districts for cost-sharing with landowners in the state forest improvement program. This appropriation is not subject to any budget reductions made in the agency.

The commissioner of natural resources shall continue the oak regeneration technical assistance program described in Laws 1991, chapter 254, article 1, section 14, subdivision 7, paragraph (e).

Subd. 5. Parks and Recreation Management

22,239,000	22,974,000
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Summary by Fund

General	21,631,000	22,345,000
Natural Resources	608,000	629,000

\$608,000 the first year and \$629,000 the second year are from the water recreation account in the natural resources fund for state park development projects. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

\$2,238,000 the first year and \$2,238,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

The commissioner of natural resources shall study the management and operational costs of the state park system and evaluate alternative funding approaches for the system. Results of the study must be reported to the legislature by July 1, 1994, and must include a review of the size, type, and number of units within the system; alternative management strategies and organizational structures; revenue generating alternatives; potential stable funding sources; and potential alternatives for reducing costs and improving self-sufficiency.

Any increase in general fund appropriations for state parks for each year of the biennium ending June 30, 1995, above the amount appropriated for fiscal year 1993 must be used only for state park field operations.

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\$5,000 is appropriated in 1994 for the development and completion of the management plan for the Cuyuna Country State Recreational Area.

The commissioner of natural resources may not operate a work training program for unemployed and underemployed individuals during the biennium ending June 30, 1995, unless the terms and conditions of employment of such individuals have been negotiated with the exclusive bargaining representatives of employees pursuant to Minnesota Statutes, chapter 179A.

Subd. 6. Trails and Waterways

11,039,000 10,726,000

Summary by Fund

General	1,125,000	1,163,000
Game and Fish	836,000	859,000
Natural Resources	9,078,000	8,704,000

\$2,249,000 the first year and \$2,249,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

\$250,000 the first year and \$250,000 the second year are from the water recreation account in the natural resources fund for a safe harbor program on Lake Superior. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

Subd. 7. Fish and Wildlife Management

36,613,000 37,537,000

Summary by Fund

General	2,496,000	2,460,000
Game and Fish	32,339,000	33,234,000
Natural Resources	1,778,000	1,843,000

\$874,000 the first year and \$874,000 the second year are appropriated from the game and fish fund for payments to counties in lieu of taxes on acquired wildlife lands and are not subject to transfer.

\$984,000 the first year and \$1,020,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management. Any unencumbered balance remaining in the first year does not cancel but is available the second year. The commissioner of natural resources shall submit to the legislature by January 15, 1994, a budget request to spend any excess receipts from the nongame checkoff.

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\$1,310,000 the first year and \$1,310,000 the second year are for the reinvest in Minnesota programs of game and fish, critical habitat, and wetlands established under Minnesota Statutes, section 84.95, subdivision 2. Any unencumbered balance for the first year does not cancel but is available for use the second year.

\$810,000 the first year and \$2,618,000 the second year are from the fish management intensification account and \$1,440,000 the first year is from the game and fish fund for only the purposes specified in Minnesota Statutes, section 97A.065, subdivision 3.

\$1,342,000 the first year and \$1,342,000 the second year are from the wildlife acquisition account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 3. Of these amounts, \$540,000 the first year and \$360,000 the second year are for acquisition, \$360,000 the first year and \$540,000 the second year are for development, and \$120,000 each year is for ditch assessments. \$322,000 each year is for development work performed by participants in youth programs.

\$975,000 the first year and \$1,041,000 the second year are from the deer habitat improvement account, and \$225,000 the first year and \$159,000 the second year are from the game and fish fund, for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (b).

\$424,000 the first year and \$424,000 the second year are from the deer and bear management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

\$130,000 the first year and \$130,000 the second year are from the game and fish fund for deer and bear management to include emergency deer feeding. If the appropriation for either year is insufficient, the appropriation for the other year is available.

\$222,000 the first year and \$485,000 the second year are from the waterfowl habitat improvement account, and \$486,000 the first year and \$224,000 the second year are from the game and fish fund, for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

\$531,000 the first year and \$531,000 the second year are from the trout stream management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 3.

\$605,000 the first year and \$605,000 the second year are from the pheasant habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 4.

\$390,000 the first year and \$370,000 the second year are from the game and fish fund for activities relating to reduction and prevention of property damage by wildlife. Of these amounts, \$110,000 and two full-time equivalent positions each year is for technical assistance, \$95,000 and two full-time equivalent positions each year is for continued development of the geographic information system for wildlife management, and \$100,000 each year is for emergency damage abatement materials.

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The commissioner shall report to the house environment and natural resource finance and the senate environment and natural resource committee on the activities and budgeting of the deer population management program by February 15, 1994.

\$44,000 is appropriated in 1994 for the construction of barrier reefs on the west traverse bay of the Lake of the Woods, for fish habitat improvement.

\$8,000 is appropriated in 1994 for construction of an interpretive display in the Thief Lake WMA.

The department of natural resources shall establish a task force to examine the feasibility of creating an urban trout fishing site in St. Paul. Potential sites shall include, but not be limited to, Swede Hollow, the historic Trout Brook, or a route from near downtown to the department of natural resources metro fish hatchery. The task force shall include representatives of the city of St. Paul, the office of tourism, the Minnesota chapter of Trout Unlimited, the University of Minnesota, and other interested parties. A report shall be presented to the house and senate committees on environment and natural resources by February 15, 1994.

Subd. 8. Enforcement

	15,930,000	16,121,000
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Summary by Fund

General	2,945,000	2,916,000
Game and Fish	10,386,000	10,556,000
Natural Resources	2,599,000	2,649,000

\$1,082,000 the first year and \$1,082,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety.

\$80,000 the first year and \$50,000 the second year are for costs related to the 1837 Treaty with the Chippewa.

The commissioner shall study the county sheriff's water patrol grant funding, including but not limited to the aid formula and county level activities, and make recommendations for any needed legislation. The commissioner shall report to the house environment and natural resources finance and senate environment and natural resources committees by January 15, 1994.

Subd. 9. Operations Support

	25,397,000	24,568,000
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Summary by Fund

General	13,226,000	12,969,000
Game and Fish	8,228,000	8,221,000
Natural Resources	3,569,000	3,274,000
Permanent School	374,000	104,000

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\$95,000 the first year and \$95,000 the second year are for a grant to the Mississippi headwaters board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under its jurisdiction.

\$17,000 the first year and \$17,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement its portion of the comprehensive plan for the upper Mississippi.

The commissioner of natural resources shall have the authority to contract with and make grants to nonprofit agencies to carry out the purposes, plans, and programs of the office of youth programs, Minnesota conservation corps.

The commissioner of natural resources shall complete a study of the payment in lieu of taxes program. The commissioner shall compare the amount of payments that would be made under an ad valorem system to the current payments to counties. The findings of the study must be reported by January 15, 1994, to the environment and natural resources and finance committees of the senate and the environment and natural resources and ways and means committees of the house of representatives.

\$286,000 the first year and \$104,000 the second year are from the lakeshore sales account in the permanent school fund for land sale costs under Minnesota Statutes, section 92.67, subdivision 3. \$88,000 the first year is from the permanent school fund suspense account, and must be repaid to the suspense account from closing costs collected at the August 1993 lease sale. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

The commissioner of natural resources shall prepare a report on the support service costs incurred by each department program by fund. The report must include a history of these costs for the past four years and measures the department has taken to reduce and manage these costs. The report must be submitted to the senate environment and natural resources finance division and the house of representatives committee on environment and natural resources finance by December 31, 1993.

The appropriation in Laws 1991, chapter 254, article 1, section 5, subdivision 9, from the land acquisition account is available until expended.

\$100,000 is appropriated in 1994 to the commissioner of natural resources for transfer to the environment quality board. The money is to be used for the coordination of the preparation of a strategic plan for Minnesota's environment based on sustainable human and economic development.

The department of natural resources, with the cooperation of other state agencies, shall identify state employees who are potentially eligible for approval as certified ecologists under guidelines of the Ecological Society of America. Employees shall be eligible for reimbursement in accordance with personnel regulations for expenses directly related to becoming certified ecologists.

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Subd. 10. Deficiency Appropriations

\$240,000 is appropriated to the commissioner of the department of natural resources. Of this amount, \$120,000 is from the permanent school fund suspense account and is to be added to the appropriation in, and used for the purposes of Laws 1991, chapter 254, article 1, section 5, subdivision 9, and \$120,000 is to pay legal costs of litigation and settlement of disputes relating to the 1837 Treaty. The amounts appropriated are for the fiscal year ending June 30, 1993.

Sec. 6. BOARD OF WATER AND SOIL RESOURCES

11,874,000

12,126,000

\$5,003,000 the first year and \$5,353,000 the second year are for natural resources block grants to local governments. Of this amount, \$50,000 in each year is for a grant to the north shore management board.

Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water planning must be matched by an amount that would be raised by a levy under Minnesota Statutes, section 103B.3369.

\$1,599,000 the first year and \$1,599,000 the second year are for grants to soil and water conservation districts for general purposes and for implementation of the RIM conservation reserve program. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts.

\$2,220,000 the first year and \$2,120,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. This appropriation is available until expended.

Any unencumbered balance in the board's program of grants to soil and water conservation districts and counties does not cancel at the end of the first year and is available for the second year for the same grant program.

Funds may not be used by the board for providing assistance for individual on-site household waste treatment systems.

\$189,000 the first year and \$189,000 the second year are for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

Sec. 7. AGRICULTURE

Subdivision 1. Total Appropriation

23,669,000

22,572,000

Summary by Fund

General	13,936,000	12,804,000
Environmental	272,000	272,000
Special Revenue	9,461,000	9,496,000

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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Protection Service

	15,709,000	15,744,000
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Summary by Fund

General	6,159,000	6,159,000
Environmental	272,000	272,000
Special Revenue	9,278,000	9,313,000

\$272,000 the first year and \$272,000 the second year are from the environmental response, compensation, and compliance account in the environmental fund.

\$4,500,000 the first year and \$4,500,000 the second year are appropriated from the pesticide regulatory account established under Minnesota Statutes, section 18B.05 for administration and enforcement of Minnesota Statutes, chapter 18B.

The commissioner shall continue to operate a tractor and machinery safety training program for youth.

The unexpended balance appropriated for farm safety projects and programs at the discretion of the commissioner in Laws 1991, chapter 254, article 1, section 7, subdivision 5, does not cancel and is reappropriated to the commissioner for the biennium ending June 30, 1995, to carry out farm safety projects and programs. These funds can be used in either year of the biennium.

\$650,000 the first year and \$650,000 the second year are appropriated from the fertilizer inspection account established under Minnesota Statutes, section 18C.131 for administration and enforcement of Minnesota Statutes, chapter 18C.

\$400,000 the first year and \$400,000 the second year are appropriated from the seed potato inspection fund established under Minnesota Statutes, section 21.115 for administration and enforcement of Minnesota Statutes, sections 21.111 to 21.122.

\$600,000 the first year and \$600,000 the second year are appropriated from the seed inspection fund established under Minnesota Statutes, section 21.92 for administration and enforcement of Minnesota Statutes, sections 21.80 to 21.92.

\$650,000 the first year and \$650,000 the second year are appropriated from the commercial feed inspection account established under Minnesota Statutes, section 25.39, subdivision 4 for administration and enforcement of Minnesota Statutes, sections 25.35 to 25.44.

\$620,000 the first year and \$620,000 the second year are appropriated from the fruit and vegetables inspection account established under Minnesota Statutes, section 27.07, subdivision 6 for administration and enforcement of Minnesota Statutes, section 27.07.

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\$1,563,000 the first year and \$1,598,000 the second year are appropriated from the dairy services account established under Minnesota Statutes, section 32.394, subdivision 9, for the purpose of dairy services under Minnesota Statutes, chapter 32.

\$295,000 the first year and \$295,000 the second year are appropriated from the livestock weighing fund established under Minnesota Statutes, section 17A.11 for the purpose of livestock weighing costs under Minnesota Statutes, chapter 17A.

Subd. 3. Promotion and Marketing

	2,142,000	1,142,000
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Summary by Fund

General	1,959,000	959,000
Special Revenue	183,000	183,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$15,800,000 for the biennium ending June 30, 1995. In fiscal year 1994, the commissioner shall first reimburse producers up to \$981,024 for eligible, unpaid claims accumulated through June 30, 1993.

\$1,000,000 is appropriated in 1994 for use by the rural finance authority for purposes of assisting in the finance of ethanol production facilities in Minnesota. Any amount of this appropriation that remains unencumbered at the end of any biennium does not revert to the general fund but remains available as a revolving account.

\$100,000 the first year and \$100,000 the second year are for ethanol promotion and public education.

\$100,000 the first year and \$100,000 the second year must be spent for the WIC coupon program.

\$45,000 is appropriated in each year for a project to expand agriculture opportunities for the Hmong and other Southeast Asian farmers by expansion of the existing market base and to target new wholesale and retail markets. The money may also be used to expand the wholesale and retail market for other groups involved in direct marketing efforts such as alternative meat and food products. The department must report on the project to the finance committees by January 15, 1995.

\$71,000 the first year and \$71,000 the second year are for transfer to the Minnesota grown matching account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.109.

\$183,000 the first year and \$183,000 the second year are from the commodities research and promotion account in the special revenue fund.

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Subd. 4. Administration and Financial Service

5,818,000

5,686,000

\$1,200,000 from the balance in the special account created in Minnesota Statutes, section 41.61, shall be transferred to the general fund by June 30, 1994.

\$389,000 the first year and \$389,000 the second year are for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. No new loans may be approved in fiscal year 1994 or 1995.

\$199,000 the first year and \$199,000 the second year are to manage the family farm advocacy program.

\$80,000 the first year and \$80,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be cost-shared at a state-applicant ratio of one to one. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation for either year is insufficient, the appropriation for the other is available.

\$70,000 the first year and \$70,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment and are available until spent.

\$150,000 the first year and \$150,000 the second year are for grants to agriculture information centers. The grants are only available on a match basis. The funds may be released at the rate of two state dollars for each \$1 of matching nonstate money that is raised. Any appropriated amounts not matched by April 1 of each year are available for other purposes within the department.

\$45,000 the first year and \$45,000 the second year are for payment of claims relating to livestock damaged by endangered animal species and agricultural crops damaged by elk. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$80,000 the first year and \$80,000 the second year are for the seaway port authority of Duluth.

\$19,000 the first year and \$19,000 the second year is for a grant to the Minnesota livestock breeder's association.

Money from this appropriation may, at the discretion of the commissioner, be used for demonstration or pilot programs for farm animal waste management techniques or facilities. This money may not be used for these programs unless the commissioner has notified the chairs of the legislative committees or divisions with jurisdiction over appropriations for environmental and natural resources activities.



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Summary by Fund

Minnesota Future Resources Fund	14,662,000
Minnesota Environment and Natural Resources Trust Fund	24,600,000

Of this appropriation \$10,298,000 is for trust fund acceleration.

Oil Overcharge Money in the Special Revenue Fund	2,012,000
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The appropriations in this section are available until June 30, 1995.

In this section:

(a) "Future resources fund" means the Minnesota future resources fund referred to in Minnesota Statutes, section 116P.13.

(b) "Trust fund" means the Minnesota environment and natural resources trust fund referred to in Minnesota Statutes, section 116P.02, subdivision 6.

(c) "Trust fund acceleration" means the Minnesota environment and natural resources trust fund to be expended only for capital investments in parks and trails referred to in Minnesota Statutes, section 116P.11, paragraph (b), clause (3).

(d) "Oil overcharge money" means the money referred to in Minnesota Statutes, section 4.071, subdivision 2.

Subd. 2. Legislative Commission on Minnesota Resources

695,000

\$425,000 of this appropriation is from the future resources fund and \$270,000 is from the trust fund pursuant to Minnesota Statutes, section 116P.09, subdivision 5.

For the biennium ending June 30, 1995, the commission shall monitor the programs in this section; assess the status of the state's natural resources; convene a state resource congress; establish priorities for, request, review, and recommend programs for the 1995-1997 biennium from the future resources fund, environment and natural resources trust fund, and oil overcharge money, and for support of the citizen advisory committee activities.

Subd. 3. Agriculture

(a) Biological Control of Plant and Animal Pests

880,000

This appropriation is from the oil overcharge money to the commissioner of administration for transfer to the commissioner of agriculture to develop, test, and implement biological control agents to reduce the use of petroleum-based chemicals. A grant request to supplement this appropriation must be submitted to the United States Department of Agriculture and the results reported to the legislative commission on Minnesota resources.

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(b) Cover Crops in a Corn and Soybean Rotation	150,000	
<p>This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota for the development of economic management strategies of cover crops for corn and soybean rotations to reduce soil erosion, nitrate leaching, and pesticide use.</p>		
(c) Increasing Utilization of Federal Cost Share Feedlot Funds	480,000	
<p>This appropriation is from the future resources fund to the commissioner of agriculture to provide technical assistance for the rehabilitation of priority feedlots with water quality concerns.</p>		
(d) Demonstration of Production Scale Waste Collection in Aquaculture	100,000	
<p>This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with Minnesota aquafarms to evaluate operational efficiencies of a fish waste collection system and to evaluate the potential for the waste collection system to meet state water quality requirements.</p>		
(e) Reinvest in Minnesota - Conservation Reserve Easements	823,000	
<p>\$500,000 of this appropriation is from the trust fund and \$323,000 of this appropriation is from the future resources fund to the board of water and soil resources to accelerate the RIM program to acquire perpetual conservation easements on marginal agricultural lands. Up to \$165,000 may be used to implement conservation practices on the easements. None of this appropriation may be used for administrative costs.</p>		
(f) Alternative Aquaculture Methods	230,000	
<p>This appropriation is from the future resources fund to the commissioner of agriculture to develop and evaluate alternative methods of raising fish, focusing on water conservation through waste removal, and collection involving recirculating aquaculture systems. Grant requests to supplement this appropriation must be submitted to the United States Department of Agriculture and the national Sea Grant program and the results reported to the legislative commission on Minnesota resources.</p>		
(g) Minnesota Aquaculture Development Program	230,000	
<p>This appropriation is from the future resources fund to the commissioner of agriculture to conduct a grant program for the evaluation and development of environmentally sound aquaculture systems.</p>		
(h) Managing Agricultural Environments of North-Central Minnesota Sandy Soils	480,000	
<p>This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to develop improved management strategies for water, nitrogen, and herbicide use on sandy soils in north central Minnesota.</p>		

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(i) Nutrient Availability From Land-Applied Manure

280,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to determine nutrient availability from manure/soil/crop systems to improve manure utilization by crops, reduce environmental impacts on water resources, and provide best management practices (BMPs) to guide manure management decisions.

(j) Effective Manure Management in Conservation Tillage Systems for Karst Areas

500,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to investigate factors that influence losses of contaminants to surface and groundwater. The emphasis will be on soil, crop residue, and manure management to maximize crop recovery of nitrogen and minimize losses to surface and groundwater.

(k) Nutrient Recycling Through Plants and Animals

260,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to improve techniques to predict nitrogen mineralization from manure and soil organic matter in west central Minnesota.

(l) Developing Soil Specific Nitrogen Management as a Best Management Practice (BMP)

294,000

This appropriation is from the oil overcharge money to the commissioner of administration for transfer to the commissioner of agriculture for development of new soil specific, variable rate nitrogen applications that will increase operating efficiency and reduce applied nitrogen without reducing yield.

Subd. 4. Energy

(a) Reducing Energy and CO2

230,000

This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the center for energy and urban environment to develop a comprehensive action plan that will focus on energy efficiency, alternative energy, and fuel switching through an assessment of opportunities for the reduction of CO2 and other greenhouse gases.

(b) Photovoltaic Demonstration Project

230,000

This appropriation is from the future resources fund to the commissioner of public service for a grant to the St. Paul school district for purchase and installation of a photovoltaic demonstration system at the Battle Creek environmental magnet school.

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(c) Operational Implications of Alternate Transit Bus Fuels	78,000	
<p>This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the metropolitan transit commission to test alternate bus fuels to evaluate their potential for reduced fuel consumption and increased operational efficiency.</p>		
(d) The Bus, Bike, or Car Pool (B-BOP) Challenge	150,000	
<p>This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the center for energy and urban environment to reduce energy use by the delivery of an employer-based program that cost effectively reduces the use of single occupant vehicles by commuters who pledge to B-BOP or telecommute regularly during the summer.</p>		
(e) Tree and Grass Production for Ethanol	380,000	
<p>This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the agricultural utilization research institute to implement a program to supply biomass feedstock derived from trees and grass to a national renewable energy laboratory (NREL), United States Department of Energy Engineering Development facility for converting biomass to ethanol and thermochemical fuels. This appropriation is contingent on a NREL agreement by January 1, 1994, to purchase biomass.</p>		
Subd. 5. Forestry		
(a) Development of Tree Seed Orchard Complex	80,000	
<p>This appropriation is from the future resources fund to the commissioner of natural resources for production of genetically improved forest tree seed.</p>		
(b) Como Park Replanting Program	93,000	
<p>This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the city of St. Paul to replant areas in Como Park that have lost trees due to disease, age, or other causes.</p>		
(c) Reforestation in Ramsey County Parks and Open Space	50,000	
<p>This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Ramsey county to accelerate the reforestation program in Ramsey county regional and county parks to replace trees lost to storm damage, drought, and disease and begin establishment of new plantings. None of this appropriation is to be used for administration.</p>		
(d) Developing Quality Hardwood Forests	210,000	
<p>This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the University of Minnesota to conduct research on the effects of different canopy gap sizes and site preparation methods on natural hardwood regeneration.</p>		

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Subd. 6. General

(a) Minnesota County Biological Survey - Continuation 900,000

This appropriation is from the trust fund to the commissioner of natural resources to continue the Minnesota county biological survey of systematic collection (\$432,000) and management of data on the distribution of rare plants, animals, and natural habitats (\$288,000) and to provide for distribution and integration of rare features information (\$180,000).

(b) Minnesota's Forest-Bird Diversity Initiative - Continuation 500,000

This appropriation is from the trust fund to the commissioner of natural resources to monitor forest songbird populations and to utilize geographic information system tools to correlate forest bird populations with dynamics of the forest landscape.

(c) Description and Evaluation of Minnesota Old Growth Forests - Continuation 250,000

This appropriation is from the future resources fund to the commissioner of natural resources to accelerate the evaluation of old growth candidate stands (\$90,000), develop detailed descriptions of old growth forest types (\$110,000), and determine habitat relations of forest fungi in old growth forests (\$50,000) for completion of the implementation of the department of natural resources old growth guidelines.

(d) Mississippi Headwaters River Inquiry and Education Project 75,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Mississippi headwaters board to provide for the investigation of river corridor biology, hydrology, and cultural issues, training of local government officials, and public education on river protection strategies.

(e) Anadromous Fish Monitoring 137,000

This appropriation is from the future resources fund to the commissioner of natural resources for biologic monitoring to improve the management of the steelhead population on the north shore of Lake Superior.

(f) Land and Water Conservation Fund Administration 80,000

This appropriation is from the future resources fund to the commissioner of natural resources for administration of the federal land and water conservation program and other contract administration activities assigned to the commissioner in this section.

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Subd. 7. Information/Education

(a) Quantify Pesticide and Fertilizer Runoff from Golf Courses 49,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with suburban Hennepin Regional Park district for a study of the quantity of pesticide and fertilizer runoff water from golf courses and an assessment of the impact of these contaminants on downstream waterbodies. This appropriation must be matched by \$49,000 of nonstate funds.

(b) Developing Multi-Use Urban Green Space 220,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Minneapolis park and recreation board to develop city tax forfeited lands into neighborhood gardens, orchards, alternative landscape demonstration areas, and tree nurseries.

(c) K-12 Prairie Wetland Field Study Program - Ecology Bus 270,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Heron Lake Environmental Learning Center, Inc., to purchase, equip, and operate an ecology bus to deliver an interdisciplinary K-12 school environmental education program in southwest Minnesota. This appropriation is contingent on the learning center employing a specialist to guide student and teacher participation in the ecology bus.

(d) The On-Line Museum: Computer and Interactive Video 260,000

This appropriation is from the trust fund to the commissioner of education for a contract with the science museum of Minnesota to create an interactive video data base of selected cultural and natural history collections as a prototype for a unique learning experience in environmental education for museum visitors and school children.

(e) Environmental Education Outreach Program 215,000

This appropriation is from the future resources fund to the commissioner of education for a contract with metropolitan waste control commission (MWCC) to develop a multidisciplinary environmental science and math curriculum for grades K-12 and team-taught by private sector volunteers, teachers, and MWCC volunteer staff. A grant request to supplement this appropriation must be submitted to the United States Environmental Protection Agency and the results reported to the legislative commission on Minnesota resources. This appropriation must be matched by an equal amount of nonstate funds.

(f) Summer Youth History Program 100,000

This appropriation is from the future resources fund to the Minnesota state historical society to provide summer employment for high school students of at least 50 percent minority or disadvantaged at historic sites.

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(g) The Ecology of Minnesota - Book

51,000

This appropriation is from the future resources fund to the University of Minnesota for a grant to the university press to assist in the preparation and production of a book presenting a comprehensive overview of Minnesota's natural environment.

(h) Green Street: An Urban Environmental Awareness Project

550,000

This appropriation is from the trust fund to the commissioner of education for a contract with the science museum of Minnesota to develop a comprehensive, coordinated urban environmental education project, which will be a core exhibit and outreach program focused on revealing the links between modern lifestyles and major environmental issues.

(i) Minnehaha Park Environmental Interpretive Center

300,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to adaptively reuse the Longfellow house in Minnehaha Park as an urban interpretive center. This appropriation must be matched by \$37,000 from the Minneapolis park and recreation board.

(j) Nicollet Conservation Club Swan Lake Interpretive Room

18,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Nicollet conservation club to equip a Swan Lake interpretive center at the Nicollet conservation club. Facilities will be open for use by local school groups and state agencies for interpretive programs and meetings at no charge. This appropriation must be matched by an equal amount of nonstate funds.

(k) Project City Camp: Experiential Urban Environmental Education

130,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Pillsbury Neighborhood Services, Inc., to implement Project City Camp, to help inner city poor and minority youth and adults understand the urban environment and its impact on human development.

(l) Granite Quarry Park and Interpretive Center Planning

50,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Stearns county to study the features of the quarry sites and plan for the development of an interpretive and recreational regional park. This appropriation must be matched by \$50,000 of nonstate funds.

(m) Expanded Crosby Farm Park Nature Program

91,000

This appropriation is from the future resources fund to the commissioner of education for a contract with the city of St. Paul to accelerate the nature study program established at Crosby Farm Park utilizing the Como zoo, Como conservatory, and Crosby Farm Nature Park.

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(n) Multiple-Use Forest Management Learning Kit	15,000	
<p>This appropriation is from the future resources fund to the commissioner of education for a contract with Deep Portage environmental learning center to develop a multiple use forest management learning kit. This appropriation must be matched by \$5,500 of nonstate funds.</p>		
(o) An Outdoor Classroom to Improve Rural Environmental Education	60,000	
<p>This appropriation is from the future resources fund to the commissioner of education for a contract with the Faribault County Environmental Learning Center, Inc., in cooperation with area 4-H, communities and schools, for an outdoor classroom project using native Minnesota vegetation, to train instructors, educate youth and community members, and evaluate changes in environmental awareness.</p>		
<p>Subd. 8. Land</p>		
(a) Base Maps for 1990s - Continuation	710,000	
<p>This appropriation is from the trust fund to the commissioner of administration to provide the state share of a 50/50 match program with the United States Geological Survey to continue statewide coverage of orthophoto maps, update mapping for the state major urban areas, and plan for future cooperative mapping and air photos programs.</p>		
(b) Rural County Use of National Aerial Photography Program Flight	90,000	
<p>This appropriation is from the future resources fund to the commissioner of administration for a contract with Houston county to evaluate the quality of digital planimetric map products and the effectiveness of national aerial photography program products in meeting the needs of Houston county users and to assist other counties in the future use of the products. This project must comply with the data compatibility requirements set forth in subdivision 14.</p>		
(c) Recreational Resource Planning in the Metro Mississippi Corridor	175,000	
<p>This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the University of Minnesota to investigate the potential for enhancing and enriching the recreational opportunities along the Mississippi river in the metropolitan corridors of the Mississippi National River and Recreation Area (MNRRA). This appropriation must be matched by \$25,000 of nonstate funds.</p>		
<p>Subd. 9. Minerals</p>		
Mitigating Concrete Aggregate Problems in Minnesota	179,000	
<p>This appropriation is from the future resources fund to the commissioner of transportation for a contract with the University of Minnesota to study means of mitigating concrete aggregate problems in southern Minnesota.</p>		

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## Subd. 10. Recreation

The appropriations in items (a) to (f) are for trust fund acceleration.

## (a) State Park Betterment

3,000,000

This appropriation is from the trust fund to the commissioner of natural resources to develop, improve, and rehabilitate state park facilities to meet growing user demand as well as prevent further deterioration of outstanding historically significant structures.

## (b) Americans With Disabilities Act: Retrofitting Regional Parks

220,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council to make subgrants to regional park implementing agencies to retrofit existing facilities to meet federal Americans with Disabilities Act (ADA) requirements.

## (c) Trail Linkages, Metropolitan Regional Network

2,327,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council to make subgrants to acquire and improve regional trails which link existing and planned regional, local, and state parks and trails.

## (d) Initiate Gateway Segment of the Willard Munger State Trail into Downtown St. Paul

254,000

Of this appropriation, \$200,000 is from the trust fund and \$54,000 is from the future resources fund to the commissioner of natural resources for acquisition and development of the trail right-of-way of the gateway segment of the Willard Munger state trail into downtown St. Paul. This appropriation is for acquisition and development only and must be done in cooperation with the city of St. Paul.

## (e) Birch Lake Regional Bikeway/Walkway

450,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to Ramsey county which shall cooperate with the city of White Bear Lake to develop a bikeway/walkway linking trunk highway 96 regional bikeway with Tamarack nature center and business centers, and a trailside interpretive program. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

## (f) Cedar Lake Trail Development

610,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to plan and construct Cedar Lake recreational and nonmotorized commuter trail from Highway 100 to downtown Minneapolis intersecting with the chain of lakes. This appropriation must be matched by \$200,000 of nonstate funds. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

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(g) State Trail Development

2,327,000

This appropriation is from the trust fund to the commissioner of natural resources to start development of the Paul Bunyan state trail, the development of an abandoned railroad grade located between Barnum and Carlton, and provide for the acquisition and development of a trail connection from Harmony to the Root river state trail.

(h) Shingle Creek Trail Improvement

130,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to develop the Shingle Creek trail connection between Minneapolis and Hennepin county regional trail.

(i) Lilydale/Harriet Island Regional Park Trail

246,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a contract with the city of St. Paul to plan and construct a pedestrian bicycle trail in the Lilydale/Harriet Island Regional Park.

(j) Como Park East Lakeshore Reclamation

163,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the city of St. Paul to provide site improvements for reclamation and restoration of severely eroded areas on east lakeshore in Como Park.

(k) Acquisition of Palace Restaurant Site on Mississippi River

325,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to acquire the Palace Restaurant property located on the east bank of the Mississippi for open space and recreational opportunities. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

(l) Access to Lakes and Rivers - Continuation

1,000,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate access to lakes and rivers statewide. \$500,000 is for boat access to lakes and rivers and \$500,000 is for shoreline access and fishing piers statewide.

(m) Saint Louis River Land Acquisition

1,000,000

This appropriation is from the trust fund to the commissioner of natural resources to acquire and protect undeveloped lands known for their resource and recreation values located along the Saint Louis, Cloquet, and Whiteface rivers. Up to \$50,000 of this appropriation may be used as a grant to the Saint Louis river board for the implementation of the Saint Louis river management plan.

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(n) Lake Minnetonka Water Access Acquisition

944,000

This appropriation is from the future resources fund to the commissioner of natural resources to acquire land for a water access site on Maxwell and Crystal Bays in Lake Minnetonka.

(o) Lake Superior Safe Harbors - Continuation

1,000,000

This appropriation is from the future resources fund to the commissioner of natural resources to acquire a site not to exceed 25 acres and construct a Lake Superior safe harbor site at Silver Bay in cooperation with the north shore management board. This appropriation is contingent on additional funding being requested from the IRRRB, the United States Army Corps of Engineers and other federal/local sources as described in the north shore harbors plan.

(p) Cooperative Trails Grant Program

800,000

This appropriation is from the future resources fund to the commissioner of natural resources for a grant program to assist in the acquisition and development of local connections to planned and existing state trails and other public recreation facilities.

(q) Agassiz Recreational Trails (ART)

650,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Agassiz Recreational Trail Joint Powers Board to plan, purchase, and develop Agassiz recreational trails and improve up to five local parks.

(r) Mesabi Trail Acquisition, Planning and Development

700,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the St. Louis and Lake county regional rail authority to plan and begin acquiring and developing a 132-mile multipurpose trail linking the Mesabi iron range between Grand Rapids and Ely. This appropriation must be matched by \$350,000 cash from IRRRB or nonstate funds.

(s) Recreational Programming: Inclusiveness for Persons with Disabilities

160,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Vinland National Center to provide staff training and consultation, targeted outreach and resource education, to enhance the inclusiveness, accessibility, and utilization of existing recreational programs by persons with disabilities.

(t) Enhanced Recreational Opportunities for Southeast Asian Ethnic Communities

300,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide community education, develop bilingual communication exchanges, and cultural and sensitivity training with community members and natural resource professionals.

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(u) Urban Community Gardening Program

110,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Sustainable Resources center to provide technical assistance and information to neighborhood based groups, special populations, and municipalities for community gardening, including the rehabilitation of urban open space.

(v) National Register Grants Program

165,000

This appropriation is from the future resources fund to the Minnesota state historical society to assist in the preservation of outstanding historical properties such as Pickwick Mill (1854-58), Sibley County Courthouse (1879), Wendelin Grimm Farmstead (1876), and Tugboat Edna G (1896), and other emergency needs of properties of national or statewide historic significance.

(w) Historical Research and Planning for Traverse Des Sioux

68,000

This appropriation is from the future resources fund to the Minnesota state historical society to research and develop a master plan for Traverse des Sioux, a historic site owned by the Minnesota historical society and located in Nicollet county.

(x) Peninsula Point Two Rivers Historical Park

435,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the city of Anoka to develop Peninsula Point Two Rivers Historical Park located at the confluence of the Rum and Mississippi rivers.

Subd. 11. Water

(a) Minnesota River Implementation - Continuation

1,100,000

This appropriation is from the trust fund to the commissioner of the pollution control agency to accelerate the adoption of best management practices (BMPs) and to accelerate related state and local implementation activities for the Minnesota river basin.

(b) Local River Planning - Continuation

480,000

This appropriation is from the future resources fund to the commissioner of natural resources for contracts of up to two-thirds of the cost to counties or groups of counties acting pursuant to a joint powers agreement, to develop comprehensive plans for the management and protection of rivers in northern and central Minnesota. The commissioner of natural resources shall include in the work plan for review and approval by the legislative commission on Minnesota resources a proposed list of rivers and a planning process developed by the consensus of the affected counties. All plans must meet or exceed the requirements of state shoreland and floodplain laws. Up to \$100,000 is available for administration and technical assistance.

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(c) Mercury Reduction in Fish - Continuation

200,000

This appropriation is from the trust fund to the commissioner of the pollution control agency for a contract with the University of Minnesota to complete pilot studies testing mercury reduction in fish for Minnesota waters. Grant requests to supplement this appropriation must be submitted to the United States Environmental Protection Agency and the results reported to the legislative commission on Minnesota resources.

(d) Stream Flow Protection

280,000

This appropriation is from the future resources fund to the commissioner of natural resources to collect stream habitat data (width, depth, velocity, substrate, water elevation) in up to 39 watersheds to develop community-based flows that protect stream resources. This project must comply with the data compatibility requirements set forth in subdivision 15.

(e) The South Central Minnesota Groundwater Contamination Susceptibility Project - Continuation

290,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Mankato state university to couple surface hydrology, subsurface geology, and hydrogeology for environmental analysis to assess present environmental conditions, establish benchmarks, and develop regional priorities for south central Minnesota. This project must comply with the data compatibility requirements set forth in subdivision 14.

(f) White Bear Lake Levels Feasibility Study

228,000

This appropriation is from the future resources fund to the commissioner of natural resources to install additional observation wells at White Bear Lake (\$50,000), to study lake and groundwater relationships, to conduct a feasibility study to address lake level issues (\$50,000), and to abandon or retrofit existing augmentation wells (\$128,000).

(g) County Geologic Atlases and Regional Hydrogeologic Assessments - Continuation

850,000

\$425,000 is from the trust fund to the University of Minnesota, Minnesota geologic survey, and \$425,000 is from the trust fund to the commissioner of natural resources to expand production of county geologic atlases and regional hydrogeologic assessments. This project must comply with the data compatibility requirements set forth in subdivision 14.

(h) Septic System Replacement for Water Related Tourism Businesses

500,000

This appropriation is from the future resources fund to the commissioner of trade and economic development to provide matching grants of up to \$10,000 to resorts and related tourism businesses located on lakes and rivers for replacement of failing or nonconforming septic systems. Businesses that begin replacement of failing or nonconforming septic systems after the effective date of this act are eligible for these grants.

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(i) Optical Brighteners: Indicators of Sewage Contamination  
of Groundwaters

157,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with Dakota county to study the correlation of optical brighteners present in domestic sewage from detergent use with nonagricultural nitrogen as interferences with atrazine detection.

Subd. 12. Wildlife, Fisheries, Plants

(a) Reinvest in Minnesota - Critical Habitat Match, Scientific  
and Natural Area, Wildlife, and Prairie Acquisition

4,000,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program. \$2,600,000 is to protect and improve critical fish, wildlife, and native plant habitat through critical habitat match; \$1,000,000 is to acquire land for scientific and natural areas; \$300,000 is to acquire North American waterfowl management plan projects; and \$100,000 is to acquire prairie bank easements to protect native prairie on private lands.

(b) Reinvest in Minnesota - Wildlife Habitat Stewardship and  
Property Development

900,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program, to develop state land, to protect wildlife and native plant populations, restore native plant communities, and enhance wildlife habitat.

(c) Reinvest in Minnesota - Statewide Fisheries Habitat  
Development

687,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program through the development of trout, walleye, and smallmouth bass habitat in streams, removal of the Flandrau dam on the Cottonwood river to allow migration of fish, and the installation of aeration systems on winterkill-prone lakes.

(d) Establishment of Critical Winter Habitat Areas on  
Intensively Farmed Land

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Pheasants Forever, Inc., to acquire and establish areas of critical winter habitat for wildlife on farmland in Scott county. This appropriation must be matched by \$60,000 nonstate funds.

(e) Wild Turkey Hunting Safety/Education

39,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the wild turkey federation to develop a program to promote safety in the sport of wild turkey hunting, to minimize accidents, and improve hunter/landowner relationships.

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(f) Niemackl Watershed Restoration

500,000

This appropriation is from the future resources fund to the commissioner of natural resources for the restoration of the Niemackl watershed by improvement of water quality, flood reduction, fish and wildlife habitat, and recreation through citizen participation with federal, state, and local governments, and nongovernment agencies. \$200,000 is available to begin the project and the remaining \$300,000 is contingent on a match of \$300,000 of nonstate funds.

(g) Deer Critical Habitat Survey - Koochiching County

75,000

This appropriation is from the future resources fund to the commissioner of natural resources in cooperation with Koochiching county to conduct an intensive survey of deer winter cover in Koochiching county to identify critical habitat for deer for improved timber management and for deer population management. This appropriation must be matched by \$5,000 of nonstate funds.

(h) Reinvest in Minnesota - Fisheries Acquisition for Angler Access and Habitat Development

300,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program. \$50,000 is for trout stream easements; \$50,000 is for warm water stream easements; and \$200,000 is for aquatic management areas acquisition.

(i) Establishing Goose Nesting Sites in Northern Minnesota and Relocation of Giant Canada Goslings

21,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Geese International, Inc., to manufacture and place 160 permanent goose nesting sites in the Squaw Lake and Baudette areas and to purchase a four-wheel drive vehicle capable of towing a trailer for 400 goslings. This appropriation must be matched by \$31,890 from Geese International, Inc.

(j) Prairie Ecosystem Restoration in the Minneapolis Park System

60,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Minneapolis park and recreation board to restore and rehabilitate the remnant, secondary, and introduced prairie tracts in the Minneapolis park system. This appropriation must be matched by \$60,000 from nonstate funds.

(k) Theodore Wirth Park Tamarack Bog Preservation Project

40,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the People for Minneapolis Parks fund in cooperation with the Minneapolis park and recreation board to restore the Theodore Wirth park tamarack bog, improve the access trail, construct a boardwalk, and develop and install self-guided interpretive signage.

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(l) Biological Control of Eurasian Water Milfoil and  
Purple Loosestrife

400,000

This appropriation is from the trust fund to the commissioner of natural resources to research biological control for purple loosestrife and Eurasian water milfoil. The purple loosestrife research must be done in cooperation with the commissioner of agriculture. \$100,000 is for the propagation, release, and evaluation of insects for purple loosestrife control; \$50,000 is for the development of mycoherbicides to control purple loosestrife; \$200,000 is for evaluation of biocontrol agents for Eurasian water milfoil fungi and insects; and \$50,000 is to research the biology of Eurasian water milfoil. The \$250,000 for Eurasian water milfoil must be matched by \$200,000 of nonstate funds.

(m) Replacement of Eurasian Water Milfoil with Native  
Minnesota Plants

40,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the White Bear Lake conservation district to research the replanting of areas treated for Eurasian water milfoil with native aquatic plants.

(n) Integrated Control of Purple Loosestrife

90,000

This appropriation is from the future resources fund to the commissioner of agriculture in cooperation with the commissioner of natural resources to accelerate evaluation of integrated biological control agents for purple loosestrife infestations in Houston, Hennepin, Wabasha, and Goodhue counties.

(o) Ecological Impacts of Releasing Genetically Engineered  
Fishes

175,000

This appropriation is from the trust fund to the commissioner of agriculture in cooperation with the commissioner of natural resources for a contract with the University of Minnesota to assess impacts of the release of genetically engineered fish on Minnesota's game fish and aquatic ecosystems and formulate recommendations to reduce detrimental impacts through measurement of bioenergetic and behavioral traits.

Subd. 13. MFRF Contingent Account

If cancellations or increased revenue, or both, create an excess balance in the future resources fund, up to \$600,000 for the biennium is appropriated from the fund for acquisition or development of state land or other projects that are part of a natural resources acceleration activity, when deemed to be of an emergency or critical nature. This appropriation is also available for projects initiated by the legislative commission on Minnesota resources that are found to be proper in order for the commission to carry out its legislative charge.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

This appropriation is not available until the legislative commission on Minnesota resources has made a recommendation to the legislative advisory commission regarding each expenditure from the account. The legislative advisory commission must then hold a meeting and provide its recommendation on each item, which may be spent only with the approval of the governor.

**Subd. 14. Data Compatibility Requirements**

During the biennium ending June 30, 1995, the data collected by the projects funded under this section that have common value for natural resource planning and management must conform to information architecture as defined in guidelines and standards adopted by the information policy office. Data review committees may be established to develop or comment on plans for data integration and distribution and shall submit semiannual status reports to the legislative commission on Minnesota resources on their findings. In addition, the data must be provided to and integrated with the Minnesota land management information center's geographic data bases with the integration costs borne by the activity receiving funding under this section.

**Subd. 15. Work Program**

It is a condition of acceptance of the appropriations in this section that any agency or entity receiving the appropriation must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the money provided may be spent unless the commission has approved the pertinent work program.

**Subd. 16. Temporary Positions**

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. The positions are in addition to any other approved complement for the agency. Part-time employment of persons is authorized.

**Subd. 17. Match Requirements**

Appropriations in this section that must be matched and for which the match has not been committed by January 1, 1994, must be canceled.

**Subd. 18. Purchase of Recycled and Recyclable Materials**

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121 to 16B.125, regarding the purchase of recycled, repairable, and durable materials, the purchase of uncoated paper stock, and the use of soy-based ink, the same as if it were a state agency.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Subd. 19. Carryforward

The appropriation in Laws 1991, chapter 254, article 1, section 14, subdivision 7, paragraph (e), Private Forest Management Oak Regeneration, is available until December 31, 1993.

Sec. 15. AGRICULTURAL UTILIZATION RESEARCH  
INSTITUTE

3,958,000 3,930,000

\$28,000 the first year is appropriated from the general fund for a grant to the southwest regional development commission to pay for the planning and final system design for connecting four rural water systems to the federal Lewis and Clark Rural Water System. Any funds not spent in the first year may be spent in the second year.

Sec. 16. PUBLIC FACILITIES AUTHORITY

\$150,000 \$150,000

\$150,000 the first year and \$150,000 the second year are for the individual on-site treatment program under Minnesota Statutes, section 116.18, subdivision 3c. In awarding grants, the public facilities authority shall give priority to projects within the Minnesota river watershed.

The commissioner of the pollution control agency shall report to the legislative committees on environment and natural resources by December 15, 1993, on the advisability and feasibility of expanding the individual on-site treatment systems program under Minnesota Statutes, section 116.18, subdivision 3c, to include areas outside municipalities. The report must include an assessment of alternative means of providing assistance to individuals for on-site treatment systems.

Sec. 17. COMMERCE

200,000

This appropriation is from the landfill cleanup account in the environmental fund for development of the insurance buyout formula under section 88.

Sec. 18. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 19. [INFORMATION POLICY OFFICE (IPO) APPROVAL.]

Appropriations for information systems shall not be allotted until the commissioner of the agency certifies to the commissioner of finance that all IPO project requirements have been met or will be met. If the appropriation for either year is insufficient, the appropriation for the other year is available.

Sec. 20. [TRANSFER OF RESPONSIBILITIES TO COMMISSIONER OF NATURAL RESOURCES.]

The responsibilities of the commissioner of trade and economic development relating to conservation and recreation grants under Minnesota Statutes, sections 116J.401, clause (5), and 116J.406, are transferred to the commissioner of natural resources under Minnesota Statutes, section 15.039.

Sec. 21. Minnesota Statutes 1992, section 17.59, subdivision 5, is amended to read:

Subd. 5. [COMMODITIES RESEARCH AND PROMOTION ACCOUNT.] All fees collected by the department under sections 17.51 to 17.69 and any other fees and income received by the department in the administration of these statutes shall be deposited in a separate account known as the commodity research and promotion account in the special revenue fund. ~~These funds shall be appropriated to the department for the purpose of defraying the expenses of administering and enforcing the sections listed in this subdivision.~~

Sec. 22. Minnesota Statutes 1992, section 17A.11, is amended to read:

17A.11 [FEES FOR LIVESTOCK WEIGHING.]

The commissioner shall prescribe the fee necessary to cover the cost of state weighing; to be assessed and collected from the seller in the manner the commissioner may prescribe. The fee assessed must be the same, and the manner of collection of the fee must be uniform at all facilities. At any location where state weighing is performed in accordance with this chapter and the total annual fees collected are insufficient to pay the cost of the weighing, the annual deficit shall be assessed and collected in the manner the commissioner may prescribe. Additional money arising from the weighing of animals by the commissioner, which has been collected and retained by any person, shall be paid on demand to the commissioner. All money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, ~~and shall be paid out only on the order of the commissioner and the state's warrant.~~

Sec. 23. Minnesota Statutes 1992, section 18B.05, subdivision 2, is amended to read:

Subd. 2. [~~ANNUAL APPROPRIATION EXPENDITURES.~~] Subject to appropriation by the legislature, money in the account, including the amount of interest attributable to money in the account and any money appropriated for the purposes of this chapter, is annually appropriated to may be used by the commissioner for the administration and enforcement of this chapter.

Sec. 24. Minnesota Statutes 1992, section 18C.131, is amended to read:

18C.131 [FERTILIZER INSPECTION ACCOUNT.]

A fertilizer inspection account is established in the state treasury. The fees collected under this chapter and interest attributable to money in the account must be deposited in the state treasury and credited to the fertilizer inspection account. Money in that account, including interest earned and money appropriated for the purposes of this chapter, is annually appropriated to the commissioner for the administration of this chapter.

Sec. 25. Minnesota Statutes 1992, section 21.115, is amended to read:

21.115 [FEES; SEED POTATO INSPECTION FUND.]

The commissioner shall fix the fees for all inspections and certifications in such amounts as from time to time may be found necessary to pay the expenses of carrying out and enforcing the purposes of sections 21.111 to 21.122, with a reasonable reserve, and shall require the same to be paid before such inspections or certifications are made. All moneys collected as fees or as penalties for violations of any of the provisions of such sections shall be paid into the state treasury and therein credited to the seed potato inspection fund of the commissioner, which fund is hereby created ~~and appropriated for carrying out the purposes of such sections.~~ Interest, if any, received on deposits of these moneys shall be credited to such fund, and there shall be paid into this fund any sum provided by the legislature for the purpose of carrying out the provisions of such sections.

Sec. 26. Minnesota Statutes 1992, section 21.92, is amended to read:

21.92 [SEED INSPECTION FUND.]

There is established in the state treasury an account known as the seed inspection fund. Fees and penalties collected by the commissioner under sections 21.80 to 21.92 and interest attributable to money in the account shall be deposited into this account. The rates at which the fees are charged may be adjusted pursuant to section 16A.128. ~~Money in this account, including interest earned and any appropriations made by the legislature for the purposes of sections 21.80 to 21.92, is annually appropriated to the commissioner for the administration and enforcement of sections 21.80 to 21.92.~~

Sec. 27. Minnesota Statutes 1992, section 25.39, subdivision 4, is amended to read:

Subd. 4. [COMMERCIAL FEED INSPECTION ACCOUNT.] A commercial feed inspection account is established in the state treasury. Fees and penalties collected under sections 25.35 to 25.44 and interest attributable to money in the account must be deposited in the state treasury and credited to the commercial feed inspection account. ~~Money in that account, including interest earned and money appropriated for the enforcement and administration of sections 25.35 to 25.44, is annually appropriated to the commissioner for the administration and enforcement of sections 25.35 to 25.44.~~

Sec. 28. Minnesota Statutes 1992, section 27.07, subdivision 6, is amended to read:

Subd. 6. [COOPERATIVE AGREEMENTS; FEES; ACCOUNT.] The commissioner may collect fees as provided for in cooperative agreements between the commissioner and the United States Department of Agriculture for the inspection of fresh fruits, vegetables, and other products. The fees and interest attributable to money in the account must be deposited in the state treasury and credited to a fruit and vegetables inspection account. ~~The money in the account, including interest earned, is appropriated to the commissioner to carry out the cooperative agreements.~~

Sec. 29. Minnesota Statutes 1992, section 32.394, subdivision 9, is amended to read:

Subd. 9. [PAYMENTS; REFUNDS; DISPOSITION.] Fees are payable by a processor or marketing organization by July 1 of each year for Grade A, and by January 1 of each year for manufacturing grade, and if not paid within 30 days of the due date, the service must be discontinued, and permission to market manufacturing grade or Grade A milk or milk products or use the Grade A label must be withdrawn. A processor may terminate payment and service without loss of the Grade A label if written notice of that intention is given prior to the due date of the payment of an assessment and if the continuous inspection of the plant is assumed by a city whose milk control ordinance is substantially equivalent to Minnesota law and rule and is enforced with equal effectiveness. If a farm discontinues the production of milk within six months of the billing date, a request for a refund based on inspection services not received may be made by the processor or by the marketing organization on behalf of its patrons. This request must be made in writing by July 1 for manufacturing grade, or by December 31 for Grade A, and on approval by the commissioner refunds must be made to the processor or marketing organization.

The fees for services performed by the activities of this section must be deposited in the state treasury and constitute a separate account to be known as the milk inspection service account, which is hereby created, ~~set aside, and appropriated as a revolving fund to be used to help to defray the cost of administration, refunds and expenses of the preliminary and continuous milk inspection services and is in addition to and not in substitution for the sums appropriated or otherwise made available for this purpose to the department of agriculture.~~

Sec. 30. Minnesota Statutes 1992, section 41A.09, subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATION.] A sum sufficient to make the payments required by this section is annually appropriated from the general fund to the commissioner of ~~revenue~~ agriculture and all money so appropriated is available until expended.

Sec. 31. Minnesota Statutes 1992, section 41A.09, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS FROM ACCOUNT.] The commissioner of ~~revenue~~ agriculture shall make cash payments from the account to producers of ethanol or wet alcohol located in the state. These payments shall apply only to ethanol or wet alcohol fermented 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 on or before June 30, 2000, 20 cents per gallon.

(b) For each gallon produced of wet alcohol on or before June 30, 2000, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon. The producer payment for wet alcohol under this section may be paid to either the original producer of wet alcohol or the secondary processor, at the option of the original producer, but not to both.

~~(c) The total payments from the account to all producers during the period beginning July 1, 1991, and ending June 30, 1993 may not exceed \$8,550,000. This amount may be paid in either fiscal year of the biennium. Total payments from the account to any producer in each fiscal year may not exceed \$3,000,000.~~

~~(d) The total payments from the account to all producers may not exceed \$10,000,000 in any fiscal year during the period beginning July 1, 1993, and ending June 30, 2000. Total payments from the account to any producer 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. 32. Minnesota Statutes 1992, section 84.027, is amended by adding a subdivision to read:

Subd. 11. [FEDERAL CONSERVATION GRANTS.] The commissioner of natural resources shall receive and administer grants under the land and water conservation grant program authorized by Congress in the Land and Water Conservation Fund Act of 1965, as amended.

Sec. 33. Minnesota Statutes 1992, section 84B.11, subdivision 1, is amended to read:

Subdivision 1. The governor shall appoint, except for the legislative members, a citizen's council on Voyageurs National Park, consisting of 17 members as follows:

Four residents of Koochiching county;

Four residents of St. Louis county;

Five residents of the state at large from outside Koochiching and St. Louis counties;

Two members of the state senate to be appointed by the committee on committees;

Two members of the state house of representatives to be appointed by the speaker of the house.

The governor shall designate one of the appointees to serve as chair and the committee may elect such other officers as it deems necessary. Members shall be appointed so as to represent differing viewpoints and interest groups on the facilities included in and around the park. Legislator members shall serve for the term of the legislative office to which they were elected. The terms, compensation and removal of nonlegislator members, ~~and expiration~~ of the council shall be as provided in section 15.059. Notwithstanding section 15.059, subdivision 5, the council shall continue to exist.

Sec. 34. [CUYUNA COUNTRY STATE RECREATION AREA.]

Subdivision 1. [85.013] [Subd. 5c.] [CUYUNA COUNTRY STATE RECREATION AREA.] Cuyuna country state recreation area is established in Crow Wing county.

Subd. 2. [ACQUISITION.] The commissioner of natural resources is authorized to acquire by gift or purchase the lands for Cuyuna country state recreation area. The commissioner must manage the area for multiple recreational use, including allowance of hunting, and provide for limited timber harvesting.

Subd. 3. [MINING.] The commissioner shall recognize the possibility that mining may be conducted in the future within the Cuyuna country state recreation area, and that use of portions of the surface estate and control of the flowage of water may be necessary for future mining operations.

Subd. 4. [ADVISORY COMMITTEE.] (a) A local area advisory committee is established to provide direction on the establishment, planning, development, and operation of the Cuyuna country state recreation area.

(b) Membership on the advisory committee shall include:

- (1) a representative of the Cuyuna range mineland recreation area joint powers board;
- (2) a representative of the Croft Mine historical park joint powers board;
- (3) a designee of the Cuyuna range mineland reclamation committee who has worked as a miner in the local area;
- (4) a representative of the Crow Wing county board;
- (5) a state representative appointed by the speaker of the house of representatives;
- (6) a state senator appointed by the senate committee on committees;
- (7) a representative of the Brainerd regional office of the department of natural resources;
- (8) a designee of the Iron Range resources and rehabilitation board;
- (9) a designee of the local business community selected by the area chambers of commerce;
- (10) a designee of the local environmental community selected by the Cuyuna country conservation club;
- (11) a designee of a local education organization selected by the school board; and
- (12) a designee of the local tourism community selected by the Cuyuna country tourism group.

(c) The advisory committee shall elect its own chair and meetings shall be at the call of the chair.

(d) The advisory committee shall serve as volunteers and accept no per diem.

Subd. 5. [MANAGEMENT PLAN.] The commissioner and local area advisory committee must cooperatively develop a comprehensive management plan that provides for multiple use recreation, protection of natural resources, allowance of hunting, snowmobiling, horse trails and forest management, interpretation of cultural and historic resources, land acquisition needs, fee structure, and road and facility development. The completed management plan shall serve as the master plan for purposes of Minnesota Statutes, section 86A.09.

Subd. 6. [BOUNDARIES.] The following described lands are located within the boundaries of Cuyuna country state recreation area:

That part of Crow Wing county, Minnesota, lying within:

Section 1, Township 46 North, Range 29 West.

EXCEPT that part of the Northwest Quarter lying west of the easterly right-of-way line of the Soo Line Railroad.

EXCEPT the South Half of the Southeast Quarter.

EXCEPT that part of the SE1/4 of the SW1/4 lying east of the easterly line of the Croft Mine Tract.

The Southeast Quarter of Section 2, Township 46 North, Range 29 West.

All of Sections 3 and 4, Township 46 North, Range 29 West.

EXCEPT Government Lot 2, Section 4, Township 46, Range 29.

That part of Section 5, Township 46 North, Range 29 West, lying southeasterly of the existing Township Road running through said Section 5.

Section 8, Township 46 North, Range 29 West.

EXCEPT the Southwest Quarter.

EXCEPT the South Half of the Northwest Quarter.

EXCEPT that part of the North Half of the Northwest Quarter, lying west of an existing Township Road thereof.

All of Section 9, Township 46 North, Range 29 West.

Section 10, Township 46 North, Range 29 West.

EXCEPT the East Half of the Southeast Quarter.

EXCEPT the SW1/4 of the SE1/4.

EXCEPT the SE1/4 of the SW1/4 thereof.

Section 11, Township 46 North, Range 29 West.

EXCEPT the South Half.

EXCEPT the South Half of the Northeast Quarter.

EXCEPT the SE1/4 of the NW1/4.

EXCEPT the North Half of the North Half of the Northwest Quarter.

EXCEPT that part of the NE1/4 of the NE1/4 lying southeasterly of the easterly right-of-way line of the railroad thereof.

That part of Section 16, Township 46 North, Range 29 West, lying northwest of Black Hoof Lake.

Section 19, Township 46 North, Range 29 West.

EXCEPT that part of the Southeast Quarter, lying southerly of the northerly right-of-way line of an existing Township Road.

That part of Section 34, Township 47 North, Range 29 West, bounded as follows:

On the North by the southerly right-of-way line of County State-Aid Highway No. 30.

On the West by the easterly right-of-way line of County State-Aid Highway No. 34.

On the East by the east line of said Section 34.

On the South by the south line of said Section 34.

That part of Section 33, Township 47 North, Range 29 West, lying southeasterly of the easterly right-of-way line of County State-Aid Highway No. 34.

Subject to easements of record for the following County Roads. An easement for C.S.A.H. No. 31 right-of-way purposes over, under and across the east line of said Section 1, also C.S.A.H. No. 30 easement for right-of-way purposes over, under and across the West Half of the Northwest Quarter and the Section line between said Sections 2 and 3, Township 46 North, Range 29 West and the Section line between Sections 34 and 35, Township 47 North, Range 29 West, also for County Road No. 128 right-of-way purposes over, under and across the Section line between said Sections 16 and 17 and between Sections 8 and 17, also C.S.A.H. No. 34 right-of-way purposes over, under and

across the Section line between said Sections 4 of Township 46 North, Range 29 West and Section 33 of Township 47 North, Range 29 West; subject to an easement of record for State Highway No. 6 right-of-way purposes over, under and across the East Half of the Southwest Quarter of said Section 1 and the Section line between said sections 1 and 2; subject to any other easements, reservations and restrictions of record; subject to an easement for City of Ironton Street right-of-way purposes over, under and across the SW1/4 of the NW1/4 in Section 11, Township 46 North, Range 29 West, according to the recorded plat thereof.

Subject to easements of record for the following state roads, all Trunk Highway 6 and Trunk Highway 210 rights-of-way, in fee or easement, in the described land are exempted.

Subd. 7. [FEE.] Notwithstanding Minnesota Statutes, section 85.053, subdivision 2, no fee may be charged by the commissioner for use of the Cuyuna country state recreation area before May 1, 1994.

Subd. 8. [ADOPT-A-RECREATION AREA.] The commissioner must utilize Minnesota Statutes, section 85.045, as much as possible in development and operation of the Cuyuna country state recreation area.

Sec. 35. [85.019] [GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms in this subdivision have the meanings given, except as otherwise expressly provided or indicated by the context.

(b) "Athletic courts" means special surface area and supporting equipment or structures, such as nets, hoops, and walls, that can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball, and tennis.

(c) "Metropolitan council" and "metropolitan area" have the meanings given in section 473.121.

(d) "Unit of government" means a county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or an elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The commissioner shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States Office of Management and Budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos, and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be not less than ten percent. The program shall be administered so as to ensure the maximum possible use of available federal money.

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the cost of the betterment of the trail.

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant may not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the commissioner shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Subd. 5. [POWERS; RULES.] The commissioner has all powers necessary and convenient to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts under this section, including the authority to adopt rules for the program under chapter 14.

Sec. 36. Minnesota Statutes 1992, section 85.045, subdivision 2, is amended to read:

Subd. 2. [PURPOSE.] The purpose of the program is to encourage business and civic groups or individuals to assist, on a volunteer basis, in improving and maintaining state parks, state recreation areas, monuments, historic sites, and trails.

Sec. 37. Minnesota Statutes 1992, section 85.22, subdivision 2a, is amended to read:

Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the rental or sale of state park items and operation of Douglas Lodge shall be deposited in the state treasury and be credited to the state parks working capital account. Receipts and expenses from Douglas lodge shall be tracked separately within the account. Money in the account is annually appropriated for the purchase and payment of expenses attributable to items for resale or rental and operation of Douglas Lodge. Any excess receipts in this account are annually appropriated for state park management and interpretive programs.

Sec. 38. Minnesota Statutes 1992, section 86A.04, is amended to read:

#### 86A.04 [COMPOSITION OF SYSTEM.]

The outdoor recreation system shall consist of all ~~natural~~ state parks; ~~recreational state parks~~ recreation areas; state trails established pursuant to sections 84.029, subdivision 2, and 85.015; state scientific and natural areas; state wilderness areas; state forests; state wildlife management areas; state water access sites, which include all lands and facilities established by the commissioner of natural resources or the commissioner of transportation to provide public access to water; state wild, scenic, and recreational rivers; state historic sites; and state rest areas, which include all facilities established by the commissioner of transportation for the safety, rest, comfort and use of the highway traveler, and shall include all existing facilities designated as rest areas and waysides by the commissioner of transportation. Each individual ~~natural~~ state park, ~~recreational state park~~ recreation area, and so forth is called a "unit."

Sec. 39. Minnesota Statutes 1992, section 86A.05, subdivision 2, is amended to read:

Subd. 2. [NATURAL STATE PARK; PURPOSE; RESOURCE AND SITE QUALIFICATIONS; ADMINISTRATION.]

(a) A ~~natural~~ state park shall be established to protect and perpetuate extensive areas of the state possessing those resources which illustrate and exemplify Minnesota's natural phenomena and to provide for the use, enjoyment, and understanding of such resources without impairment for the enjoyment and recreation of future generations.

(b) No unit shall be authorized as a ~~natural~~ state park unless its proposed location substantially satisfies the following criteria:

(1) Exemplifies the natural characteristics of the major landscape regions of the state, as shown by accepted classifications, in an essentially unspoiled or restored condition or in a condition that will permit restoration in the foreseeable future; or contains essentially unspoiled natural resources of sufficient extent and importance to meaningfully contribute to the broad illustration of the state's natural phenomena; and

(2) Contains natural resources, sufficiently diverse and interesting to attract people from throughout the state; and

(3) Is sufficiently large to permit protection of the plant and animal life and other natural resources which give the park its qualities and provide for a broad range of opportunities for human enjoyment of these qualities.

(c) ~~Natural~~ State parks shall be administered by the commissioner of natural resources in a manner which is consistent with the purposes of this subdivision to preserve, perpetuate, and interpret natural features that existed in the area of the park prior to settlement and other significant natural, scenic, scientific, or historic features that are present. Management shall seek to maintain a balance among the plant and animal life of the park and to reestablish desirable plants and animals that were formerly indigenous to the park area but are now missing. Programs to interpret the natural features of the park shall be provided. Outdoor recreation activities to utilize the natural features of the park that can be accommodated without material disturbance of the natural features of the park or the introduction of undue artificiality into the natural scene may be permitted. Park use shall be primarily for aesthetic, cultural, and educational purposes, and shall not be designed to accommodate all forms or unlimited volumes of recreational use. Physical development shall be limited to those facilities necessary to complement the natural features and the values being preserved.

Sec. 40. Minnesota Statutes 1992, section 86A.05, subdivision 3, is amended to read:

Subd. 3. [~~RECREATIONAL STATE PARK RECREATION AREA~~; PURPOSE; RESOURCE AND SITE QUALIFICATIONS; ADMINISTRATION.] (a) A ~~recreational state park recreation area~~ shall be established to provide a broad selection of outdoor recreation opportunities in a natural setting which may be used by large numbers of people.

(b) No unit shall be authorized as a ~~recreational state park recreation area~~ unless its proposed location substantially satisfies the following criteria:

(1) Contains natural or artificial resources which provide outstanding outdoor recreational opportunities that will attract visitors from beyond the local area;

(2) Contains resources which permit intensive recreational use by large numbers of people; and

(3) May be located in areas which have serious deficiencies in public outdoor recreation facilities, provided that ~~recreational state parks recreation areas~~ should not be provided in lieu of municipal, county, or regional facilities.

(c) ~~Recreational State parks recreation areas~~ shall be administered by the commissioner of natural resources in a manner which is consistent with the purposes of this subdivision primarily to provide as broad a selection of opportunities for outdoor recreation as is consistent with maintaining a pleasing natural environment. Scenic, historic, scientific, scarce, or disappearing resources within ~~recreational state parks recreation areas~~ shall be recommended for authorization as historic sites or designated scientific and natural areas pursuant to section 86A.08 to preserve and protect them. Physical development shall enhance and promote the use and enjoyment of the natural recreational resources of the area.

Sec. 41. Minnesota Statutes 1992, section 86A.08, subdivision 1, is amended to read:

Subdivision 1. [~~SECONDARY AUTHORIZATION; WHEN PERMITTED~~.] A unit of the outdoor recreation system may be authorized wholly or partially within the boundaries of another unit only when the authorization is consistent with the purposes and objectives of the respective units and only in the instances permitted below:

(a) The following units may be authorized wholly or partially within a ~~natural state park~~: historic site, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, and water access site.

(b) The following units may be authorized wholly or partially within a ~~recreational state park recreation area~~: historic site, scientific and natural area, wild, scenic, and recreational river, trail, rest area, and water access site.

(c) The following units may be authorized wholly or partially within a state forest: ~~natural state park, recreational state park recreation area~~, historic site, wildlife management area, scientific and natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, and water access site.

(d) The following units may be authorized wholly or partially within a state historic site: wild, scenic, and recreational river, trail, rest area, and water access site.

(e) The following units may be authorized wholly or partially within a state wildlife management area: state water access site.

(f) The following units may be authorized wholly or partially within a state wild, scenic, or recreational river: ~~natural state park~~, historic site, scientific and natural area, wilderness area, trail, rest area, and water access site.

(g) The following units may be authorized wholly or partially within a state rest area: historic site, trail, wild, scenic, and recreational river, and water access site.

Sec. 42. Minnesota Statutes 1992, section 88.79, subdivision 2, is amended to read:

Subd. 2. [~~CHARGE FOR SERVICE; RECEIPTS TO GENERAL SPECIAL REVENUE FUND~~.] The commissioner of natural resources may charge the owner receiving such services such sums as the commissioner shall determine to be fair and reasonable. The charges must account for differences in the value of timber. The receipts from such services shall be credited to the general special revenue fund and are annually appropriated to the commissioner for the purposes specified in subdivision 1.

Sec. 43. Minnesota Statutes 1992, section 90.031, subdivision 4, is amended to read:

Subd. 4. The executive council may formulate and establish, from time to time, rules it deems advisable for the transaction of timber business of the state, including approval of the sale of timber on any tract in a lot exceeding ~~\$20,000~~ \$50,000 when the sale is in the best interests of the state, and may abrogate, modify, or suspend rules at its pleasure.

Sec. 44. Minnesota Statutes 1992, section 90.041, is amended by adding a subdivision to read:

Subd. 6. The commissioner may sell at public auction timber that has been damaged by fire, windstorm, flood, or other natural cause on notice that the commissioner considers reasonable when there is a high risk that the salvage value of the timber would be lost.

Sec. 45. Minnesota Statutes 1992, section 90.101, subdivision 1, is amended to read:

90.101 [TIMBER SOLD AT PUBLIC AUCTION, MAXIMUM LOTS OF ~~\$20,000~~ \$50,000.]

Subdivision 1. The commissioner may sell the timber on any tract of state land in lots not exceeding ~~\$20,000~~ \$50,000 in appraised value and may determine the number of sections or fractional sections of land to be covered by any one permit issued to the purchaser of timber on state lands, or in any one contract or other instrument relating thereto. No timber shall be sold, except (1) to the highest bidder at public auction, or (2) if unsold at public auction the commissioner may offer the timber for private sale for a period of no more than 90 days after the public auction to any person who pays the appraised value for the timber. The minimum price shall be the appraised value as fixed by the report of the state appraiser. All sales shall be held in the county in which the tract is located. In adjoining counties, sales may not be held less than two hours apart.

Sec. 46. Minnesota Statutes 1992, section 90.121, is amended to read:

90.121 [INTERMEDIATE AUCTION SALES; MAXIMUM LOTS OF ~~\$7,000~~ \$15,000.]

The commissioner may sell the timber on any tract of state land in lots not exceeding ~~\$7,000~~ \$15,000 in appraised value, in the same manner as timber sold at public auction under section 90.101, and related laws, subject to the following special exceptions and limitations:

(1) sales shall be at the forest office or other public facility most accessible to potential bidders or close to where the tract is located;

(2) the commissioner's list describing the tract, quantity of timber, and appraised price shall be compiled not less than 30 days before the date of sale and a copy of the list posted not less than 30 days before the date of the sale;

(3) notice of the sale shall be published once, not less than one week before the date of the sale;

(4) no bidder may be awarded more than 25 percent of the total tracts offered at the first round of bidding unless fewer than four tracts are offered; in which case not more than one tract shall be awarded to one bidder. Any tract not sold shall be available for a period of 90 days for purchase by persons eligible under this section at the appraised value;

(5) the bond or deposit required pursuant to section 90.161 or 90.173 shall be given or deposited before any cutting begins or not later than nine months after the date of sale, whichever is earlier;

(6) in lieu of the placing of the marks M I N on cut products as prescribed under section 90.151, subdivision 2, all landings of cut products shall be legibly marked with the name of the permit holder and the assigned permit number;

(7) no person may hold more than six permits issued under this section and no sale may be made to a person holding six permits which are still in effect or to a person having more than 20 employees;

(8) the permit may not exceed one year in duration;

(9) if the purchaser for good and sufficient reason is unable to cut the timber within the one year permit period, the commissioner may grant one extension for a period of up to one year from the date of expiration of the original permit without interest, and one additional extension of one year with interest at the rate in effect under section 549.09 at the time the extension is granted;

(10) if all cut timber, equipment, and buildings, are not removed at the end of any 120-day extension period which the commissioner may grant for removal, the commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of a request by the permit holder for hardship reasons only.

The auction sale procedure set forth in this section constitutes an additional alternative timber sale procedure available to the commissioner and is not intended to replace other authority possessed by the commissioner to sell timber in lots of ~~\$7,000~~ \$15,000 or less.

Sec. 47. Minnesota Statutes 1992, section 90.201, is amended by adding a subdivision to read:

Subd. 4. When standing timber under a valid permit is damaged through fire, windstorm, flood, or other natural cause, the commissioner may reappraise the timber and modify the permit. The commissioner shall ensure that the reappraisal is in the best interest of the state and the trust.

Sec. 48. Minnesota Statutes 1992, section 92.46, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC CAMPGROUNDS.] (a) The director may designate suitable portions of the state lands withdrawn from sale and not reserved, as provided in section 92.45, as permanent state public campgrounds. The director may have the land surveyed and platted into lots of convenient size, and lease them for cottage and camp purposes under terms and conditions the director prescribes, subject to the provisions of this section.

(b) A lease may not be for a term more than 20 years. The lease may allow renewal, from time to time, for additional terms of no longer than 20 years each. The lease may be canceled by the commissioner 90 days after giving the person leasing the land written notice of violation of lease conditions. The lease rate shall be based on the appraised value of leased land as determined by the commissioner of natural resources and shall be adjusted by the commissioner at the fifth, tenth, and 15th anniversary of the lease, if the appraised value has increased or decreased. For leases that are renewed in 1991 and following years, the lease rate shall be five percent of the appraised value of the leased land. The appraised value shall be the value of the leased land without any private improvements and must be comparable to similar land without any improvements within the same county. The minimum appraised value that the commissioner assigns to the leased land must be substantially equal to the county assessor's estimated market value of similar land adjusted by the assessment/sales ratio as determined by the department of revenue.

(c) By July 1, 1986, the commissioner of natural resources shall adopt rules under chapter 14 to establish procedures for leasing land under this section. The rules shall be subject to review and approval by the commissioners of revenue and administration prior to the initial publication pursuant to chapter 14 and prior to their final adoption. The rules must address at least the following:

- (1) method of appraising the property; and
- (2) an appeal procedure for both the appraised values and lease rates.
- (d) All money received from these leases must be credited to the fund to which the proceeds of the land belong.

Notwithstanding section 16A.125 or any other law to the contrary, 50 percent of the money received from the lease of permanent school fund lands leased pursuant to this subdivision shall be deposited into the permanent school trust fund. However, in fiscal years 1987, 1988, 1989, 1990, 1991, 1992, 1993, and 1994 and 1995, the this money received from the lease of permanent school fund lands that would otherwise be deposited into must be credited to the lakeshore sales account in the permanent school fund is hereby appropriated and, subject to appropriation, may be used to survey, appraise, and pay associated selling costs of lots as required in section 92.67, subdivision 3. The money ~~appropriated~~ may not be used to pay the cost of surveying lots not scheduled for sale. Any money designated for deposit in the permanent school fund that is not needed to survey, appraise, and pay associated selling costs of lots, as required in section 92.67, shall be deposited in the permanent school fund. The commissioner shall add to the appraised value of any lot offered for sale the costs of surveying, appraising, and selling the lot, and shall first deposit into the permanent school fund an amount equal to the costs of surveying, appraising, and selling any lot paid out of the permanent school fund. Any remaining money shall be deposited into any other contributing funds in proportion to the contribution from each fund. In no case may the commissioner add to the appraised value of any lot offered for sale an amount more than \$700 for the costs of surveying and appraising the lot.

Sec. 49. Minnesota Statutes 1992, section 94.165, is amended to read:

94.165 [LAND ACQUISITION ACCOUNT.]

There is created in the state treasury a land acquisition account. ~~Subject to appropriation by law,~~ Money in the account is ~~available~~ appropriated to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A. The commissioner must file a report to the house ways and means and the senate finance committees and the environment and natural resources committees of the senate and house of representatives by October 1 of each year indicating all purchases and sales from this account.

Sec. 50. [97A.028] [CROP PROTECTION ASSISTANCE.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Agricultural crops" means annually seeded crops, legumes, fruit orchards, tree farms and nurseries, turf farms, and apiaries.

(c) "Specialty crops" means fruit orchards, vegetables, tree farms and nurseries, turf farms, and apiaries.

Subd. 2. [TECHNICAL ASSISTANCE.] The commissioner shall establish a statewide program to provide technical assistance to persons for the protection of agricultural crops from destruction by wild animals. As part of the program, the commissioner shall develop and identify the latest and most effective abatement techniques; acquire appropriate demonstration supplies and materials required to meet specialized needs; train property owners, field staff, public land managers, extension agents, pest control operators, and others; provide technical manuals and brochures; and provide field personnel with supplies and materials for damage abatement demonstrations and short-term assistance and for the establishment of food or lure crops where appropriate.

Subd. 3. [EMERGENCY DETERRENT MATERIALS ASSISTANCE.] (a) For the purposes of this subdivision, "cooperative damage management agreement" means an agreement between a landowner and the commissioner that establishes a program for addressing the problem of destruction of specialty crops by wild animals on the landowner's property.

(b) A person may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of specialty crops by wild animals. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials, up to \$3,000 in value per individual or corporation, when the commissioner determines that:

(1) immediate action is necessary to prevent significant damage from continuing; and

(2) a cooperative damage management agreement cannot be implemented immediately.

(c) As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner shall enter into a cooperative damage management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. A landowner may not receive emergency deterrent materials assistance under this subdivision more than once. A landowner who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.

Sec. 51. Minnesota Statutes 1992, section 97A.055, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSES.] The game and fish fund is established as a fund in the state treasury. The money in the fund is annually appropriated to the commissioner for the activities of the division of fish and wildlife and the division of enforcement.

Sec. 52. Minnesota Statutes 1992, section 97A.055, is amended by adding a subdivision to read:

Subd. 4. [ANNUAL REPORT.] (a) By November 15 each year, the commissioner shall report to the legislative committees having jurisdiction over appropriations and the environment and natural resources on:

(1) the amount of revenue from the following and purposes for which expenditures were made:

(i) the fishing license surcharge under section 97A.475, subdivision 9;

(ii) the small game license surcharge under section 97A.475, subdivision 4;

(iii) the Minnesota migratory waterfowl stamp under section 97A.475, subdivision 5, clause (1);

(iv) the trout and salmon stamp under section 97A.475, subdivision 10; and

(v) the pheasant stamp under section 97A.475, subdivision 5, clause (2); and

(2) the amounts available under section 97A.075, subdivision 1, paragraphs (b) and (c), and the purposes for which these amounts were spent.

(b) The report must include the commissioner's recommendations, if any, for changes in the laws relating to the stamps and surcharges referenced in paragraph (a).

Sec. 53. Minnesota Statutes 1992, section 97A.071, subdivision 2, is amended to read:

Subd. 2. [REVENUE FROM THE SMALL GAME LICENSE SURCHARGE.] Revenue from the small game surcharge shall be credited to the wildlife acquisition account and the money in the account shall be used by the commissioner for the purposes of this section, and acquisition and development of wildlife lands under section 97A.145, in accordance with appropriations made by the legislature.

Sec. 54. Minnesota Statutes 1992, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. [DEER AND BEAR LICENSES.] (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (4) and (5), and 3, clauses (2) and (3).

(b) At least \$2 from each deer license shall be used for deer habitat improvement or deer management programs.

(c) At least \$1 from each resident deer license and each resident bear license shall be used for deer and bear management programs, including a computerized licensing system.

Sec. 55. Minnesota Statutes 1992, section 97A.441, is amended by adding a subdivision to read:

Subd. 7. [OWNERS OR TENANTS OF AGRICULTURAL LAND.] (a) The commissioner may issue, without an additional fee, a license to take additional deer with firearms under section 97B.301, subdivision 4, to a person who is an owner or tenant and lives on at least ten acres of agricultural land, as defined in section 97B.001, in an area where the commissioner has made these licenses available. Landowners and tenants applying for a license under this subdivision must receive preference over other applicants for the licenses.

(b) Persons who obtain a license under paragraph (a) must allow public deer hunting on their land during that deer hunting season.

Sec. 56. Minnesota Statutes 1992, section 97A.475, subdivision 12, is amended to read:

Subd. 12. [FISH HOUSES; NONRESIDENT.] ~~The fee Fees~~ for a fish house license licenses for a nonresident is ~~\$21.50~~ are:

(1) annual, \$25; and

(2) seven consecutive days, \$14.

Sec. 57. Minnesota Statutes 1992, section 97C.355, subdivision 2, is amended to read:

Subd. 2. [LICENSE REQUIRED.] A person may not take fish from a dark house or fish house unless the house is licensed and has a metal license tag attached to the exterior as prescribed by the commissioner, except as provided in this subdivision. The commissioner must issue a metal tag that is at least two inches in diameter with a 3/16 inch hole in the center with a dark house or fish house license. The metal tag must be stamped with a number to correspond with the license and the year of issue. A dark house or fish house license is not required of a resident on boundary waters where the adjacent state does not charge a fee for the same activity.

Sec. 58. Minnesota Statutes 1992, section 115A.90, is amended by adding a subdivision to read:

Subd. 6a. [SHREDDER RESIDUE.] "Shredder residue" means the residue generated by shredding a motor vehicle, an appliance, or other source of recyclable steel after removing the reusable and recyclable materials.

Sec. 59. Minnesota Statutes 1992, section 115A.908, subdivision 2, is amended to read:

Subd. 2. [DEPOSIT OF REVENUE.] Revenue collected shall be credited to the motor vehicle transfer account in the environmental fund.

Sec. 60. Minnesota Statutes 1992, section 115A.908, subdivision 3, is amended to read:

Subd. 3. [REPEALER.] This section is repealed on December 31, ~~1994~~ 1996.

Sec. 61. [115A.909] [SHREDDER RESIDUE; MANAGEMENT.]

The commissioner, in consultation with persons who are engaged in the business of shredding motor vehicles, appliances, and other sources of recyclable steel, shall study management of shredder residue. To the extent possible under state and federal law, the commissioner shall encourage reduction in the amount of residue generated, allow beneficial use of the residue, and minimize costs of management and disposal. The commissioner shall study all reasonably ascertainable alternatives for management of the residue, including use as cover material at solid waste disposal facilities, use in manufacture of refuse derived fuel, and any other resource recovery management technique.

Sec. 62. Minnesota Statutes 1992, section 115A.96, subdivision 3, is amended to read:

Subd. 3. [OTHER PARTICIPANTS.] (a) The agency may establish or operate all or part of the management program or may provide for services by contract or other agreement with public or private entities.

(b) The agency shall allow these programs to accept up to 100 pounds of waste per year from a hazardous waste generator that generates 220 pounds or less of hazardous waste per month.

Sec. 63. Minnesota Statutes 1992, section 115A.96, subdivision 4, is amended to read:

Subd. 4. [MANAGEMENT.] Any person who establishes or operates all or part of a household hazardous waste management program shall manage collected waste in compliance with standards applicable to a hazardous waste generator. If collected waste must be stored for a time exceeding those standards, the agency or other entity shall obtain the approval of the commissioner of the agency and shall manage the waste in compliance with applicable standards for the use and management of containers, but no facility permit is required. Waste accepted under subdivision 3, paragraph (b), must be managed in accordance with standards applicable to the waste.

Sec. 64. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 1a. [TAXES IMPOSED.] Until January 1, 2004, a generator of hazardous waste shall pay a tax in an amount equal to the greater of the applicable base tax under subdivision 2a or the quantity tax determined under subdivision 3a.

Sec. 65. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 2a. [BASE TAX.] (a) The base tax for large quantity generators, as defined in rules of the agency, is \$500.

(b) The base tax for small quantity generators, as defined in rules of the agency, is \$200.

(c) The base tax for very small quantity generators, as defined in rules of the agency, that produce more than 100 pounds per year of hazardous waste is \$50.

(d) There is no base tax for very small quantity generators, as defined in rules of the agency, that produce 100 pounds or less per year of hazardous waste.

Sec. 66. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 3a. [QUANTITY TAX.] (a) The quantity tax does not apply to very small quantity generators, as defined in the rules of the agency. The quantity tax is determined as provided in paragraphs (b) to (d).

(b) Generators of hazardous waste managed using either of the following methods as defined in rules adopted under sections 115.03, 116.07, and 116.37 shall pay taxes on the waste at the rate of 1.5 cents per pound of solid or 15 cents per gallon of liquid:

(1) hazardous wastes that are hazardous prior to discharge to a publicly owned wastewater treatment works; and

(2) hazardous wastes managed as a hazardous waste fuel or using thermal treatment.

(c) Generators of hazardous waste managed using any of the following methods as defined in rules adopted under sections 115.03, 116.07, and 116.37 are exempt from paying taxes on the wastes:

(1) hazardous wastes that are destined for recycling, including waste accumulated, stored, or treated prior to recycling;

(2) hazardous waste that is destined for incineration at a permitted hazardous waste incineration facility in Minnesota;

(3) hazardous wastes that are either (i) pretreated to a nonhazardous state prior to discharge to a publicly owned treatment works, or (ii) treated to a nonhazardous state after treatment in an on-site treatment system, if the publicly owned treatment works or on-site treatment system is operated in accordance with a national pollution discharge elimination system permit, state disposal system permit, or both, issued by the agency; and

(4) hazardous wastes that are neutralized and are not otherwise hazardous waste after neutralizing.

(d) Generators of hazardous waste shall pay taxes on hazardous wastes managed using any other method not mentioned in this subdivision at the rate of three cents per pound of solid or 30 cents per gallon of liquid.

Sec. 67. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 4a. [HAZARDOUS WASTES NOT SUBJECT TO TAX.] The taxes imposed by this section do not apply to hazardous wastes generated as a result of a response action or hazardous wastes generated as a result of lead acid battery smelting.

Sec. 68. [115B.223] [HAZARDOUS WASTE GENERATOR LOAN PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A hazardous waste generator revolving loan program is established to provide loans to small businesses for the purpose of conducting response actions to clean up releases of hazardous waste.

Subd. 2. [RULES.] (a) The commissioner of the pollution control agency may adopt rules regarding practices and procedures including, but not limited to:

(1) form and procedure for loan application;

(2) terms for loans and loan repayment; and

(3) criteria for eligibility.

(b) The commissioner of the pollution control agency may adopt emergency rules under this subdivision for one year following the effective date of this section.

Subd. 3. [ELIGIBLE BORROWER.] To be eligible for a loan under this section, a borrower must:

- (1) be a generator of hazardous waste;
- (2) have a release or suspected release of hazardous waste;
- (3) own or operate the facility at which the release of hazardous waste occurred;
- (4) have less than 50 full-time employees;
- (5) have an after-tax profit of less than \$500,000; and
- (6) have a net worth of less than \$1,000,000.

Subd. 4. [LOAN APPLICATION PROCEDURE.] An eligible borrower may apply for a loan after the commissioner approves a plan for the response actions. Loans will be awarded to eligible borrowers in the order that applications are received by the pollution control agency.

Subd. 5. [LIMITATION ON LOAN OBLIGATION.] A loan made under this section is limited to the money available in the hazardous waste generator loan account.

Subd. 6. [LOAN CONDITIONS.] A loan made under this section must include:

- (1) an interest rate of one percent less than the prime rate;
- (2) a term of payment of not more than five years; and
- (3) an amount not less than \$1,000 or exceeding \$50,000.

Sec. 69. [115B.224] [HAZARDOUS WASTE GENERATOR LOAN ACCOUNT.]

The hazardous waste generator loan account is established in the environmental response, compensation, and compliance account for the purposes described in section 115B.223. Money in the account is annually appropriated to the commissioner of the pollution control agency for the purposes of this section. Loan repayments must be credited to the hazardous waste generator loan account.

Sec. 70. Minnesota Statutes 1992, section 115B.24, subdivision 6, is amended to read:

Subd. 6. [PAYMENT BY OUT-OF-STATE GENERATORS.] A generator of any hazardous waste which is generated outside of this state and is transported into this state for ~~long term containment or treatment as described in section 115B.22, subdivisions 2 to 5~~ treatment or disposal shall pay the tax imposed by section 115B.22 at the first point at which the hazardous wastes are received by a person in this state for ~~storage, treatment or long term containment~~ treatment or disposal. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.

Sec. 71. Minnesota Statutes 1992, section 115B.42, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURES.] Subject to appropriation, money in the account may be spent for:

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

Sec. 72. Minnesota Statutes 1992, section 115D.07, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT TO PREPARE AND MAINTAIN A PLAN.] (a) Persons who operate a facility required by United States Code, title 42, section 11023, or section 299K.08, subdivision 3, to submit a toxic chemical release form shall prepare a toxic pollution prevention plan for that facility. The plan must contain the information listed in subdivision 2.

(b) Except as provided in paragraphs (d) and (e), for facilities that release less than a total of 10,000 pounds or more of toxic pollutants annually, the plan must be completed as follows:

(1) on or before July 1, 1991, for facilities having a two-digit standard industrial classification of 35 to 39;

(2) by January 1, 1992, for facilities having a two-digit standard industrial classification of 28 to 34; and

(3) by July 1, 1992, for all other persons required to prepare a plan under this subdivision.

(c) Except as provided in paragraphs (d) and (e), facilities that release less than a total of 10,000 pounds of toxic pollutants annually must complete their plans by July 1, 1992.

(d) For the following facilities, the plan must be completed as follows:

(1) by January 1, 1995, for facilities required to report under section 299K.08, subdivision 3, that have a two-digit standard industrial classification of 01 to 50; and

(2) by July 1, 1995, for facilities required to report under section 299K.08, subdivision 3, that have a two-digit standard industrial classification of 51 to 99.

(e) For facilities that become subject to this subdivision after July 1, 1993, the plan must be completed by six months after the first submittal for the facility under United States Code, title 42, section 11023, or section 299K.08, subdivision 3.

(f) Each plan must be updated every two years and must be maintained at the facility to which it pertains.

Sec. 73. Minnesota Statutes 1992, section 115D.10, is amended to read:

115D.10 [TOXIC POLLUTION PREVENTION EVALUATION REPORT.]

The director, in cooperation with the commissioner and commission, shall report to the environment and natural resources committees of the legislature ~~annually~~ on progress being made in achieving the objectives of sections 115D.01 to 115D.12. The report must be submitted by ~~December 15~~ February 1 of each even-numbered year, ~~beginning in 1992~~.

Sec. 74. Minnesota Statutes 1992, section 115D.12, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) Persons required by United States Code, title 42, section 11023, to submit a toxic chemical release form to the commission, and owners or operators of facilities listed in section 299K.08, subdivision 3, shall pay a pollution prevention fee of \$150 for each toxic pollutant reported released plus a fee based on the total pounds of toxic pollutants reported as released from each facility. Facilities reporting less than 25,000 pounds annually of toxic pollutants released per facility shall be assessed a fee of \$500. Facilities reporting annual releases of toxic pollutants in excess of 25,000 pounds shall be assessed a graduated fee at the rate of two cents per pound of toxic pollutants reported.

(b) Persons who generate more than 1,000 kilograms of hazardous waste per month but who are not subject to the fee under paragraph (a) must pay a pollution prevention fee of \$500 per facility. Hazardous waste as used in this paragraph has the meaning given it in section 116.06, subdivision 11, and Minnesota Rules, chapter 7045.

(c) Fees required under this subdivision must be paid to the director by January 1 of each year. The fees shall be deposited in the state treasury and credited to the environmental fund.

Sec. 75. [115D.14] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 64 and 65, the terms defined in this section have the meanings given.

Subd. 2. [AGENCY.] "Agency" means the pollution control agency.

Subd. 3. [INTEGRITY OF AQUATIC OR TERRESTRIAL ECOSYSTEMS.] "Integrity of aquatic or terrestrial ecosystems" means the maintenance of mutually beneficial species of plants and animals and of other natural characteristics so that the biological viability of the ecosystem is ensured.

Subd. 4. [TOXIC AIR CONTAMINANT.] "Toxic air contaminant" means an air contaminant that may cause or contribute to an increase in mortality or an increase in a chronic or an acute illness, or which may pose a present or potential hazard to human health or the integrity of aquatic or terrestrial ecosystems.

Sec. 76. [115D.15] [REPORTS TO THE LEGISLATURE.]

Subdivision 1. [INITIAL REPORT.] By January 1, 1995, the agency must submit to the environment and natural resources committees of the legislature a report that includes:

(1) a five-year regulatory strategy to protect the public health and the environment from emissions of toxic air contaminants; and

(2) a list prioritizing and categorizing facilities emitting toxic air contaminants.

Subd. 2. [CONTINUING REPORTS.] Beginning January 1, 1997, and every two years thereafter, the agency shall submit to the legislative committees with jurisdiction over environment and natural resource issues a report that provides an update of the following:

(1) an analysis of the achievements, shortfalls, and resource needs for implementing the agency's strategy under subdivision 1, clause (1);

(2) an analysis of the data collected from the agency's statewide monitoring and inventory program under section 116.454;

(3) an analysis of reductions in emissions of toxic air contaminants; and

(4) an updated list prioritizing and categorizing facilities emitting toxic air contaminants.

Sec. 77. Minnesota Statutes 1992, section 116.07, is amended by adding a subdivision to read:

Subd. 10. [SOLID WASTE ASSESSMENTS.] (a) A person that collects mixed municipal solid waste shall collect and remit to the commissioner of revenue a solid waste assessment from each of the person's customers as provided in paragraphs (b) and (c).

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

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

(d) The commissioner of revenue shall redesign sales tax forms for solid waste collectors to accommodate payment of the assessment. The commissioner of revenue shall deposit the amounts remitted under this subdivision in the environmental fund and shall credit four-sevenths of the receipts to the landfill cleanup account established in section 115B.42.

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

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

Sec. 78. Minnesota Statutes 1992, section 116J.401, is amended to read:

116J.401 [POWERS AND DUTIES.]

The commissioner of trade and economic development shall:

(1) provide regional development commissions, the metropolitan council, and units of local government with information, technical assistance, training, and advice on using federal and state programs;

(2) receive and administer the small cities community development block grant program authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(3) receive and administer the section 107 technical assistance program grants authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(4) receive and administer grants for the Minnesota jail resource center authorized by Congress under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended;

~~(5) receive and administer the land and water conservation grant program authorized by Congress under the Land and Water Conservation Fund Act of 1965, as amended;~~

~~(6) receive and administer other state and federal grants and grant programs for planning, community affairs, community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07; and~~

~~(7) (6) receive applications for state and federal grants and grant programs for planning, community affairs, and community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07.~~

Sec. 79. Minnesota Statutes 1992, section 116P.10, is amended to read:

116P.10 [ROYALTIES, COPYRIGHTS, PATENTS.]

This section applies to projects supported by the trust fund, the Minnesota future resources fund, and the oil overcharge money referred to in section 4.071, subdivision 2, each of which is referred to in this section as a "fund." The trust fund owns and shall take title to the percentage of a royalty, copyright, or patent resulting from a project supported by the trust fund equal to the percentage of the project's total funding provided by the trust fund. Cash receipts resulting from a royalty, copyright, or patent, or the sale of the trust fund's rights to a royalty, copyright, or patent, must be credited immediately to the principal of the trust fund. Before a project is included in the budget plan, the commission may vote to relinquish the ownership or rights to a royalty, copyright, or patent resulting from a project supported by the trust fund to the project's proposer when the amount of the original grant or loan, plus interest, has been repaid to the trust fund.

Sec. 80. Minnesota Statutes 1992, section 297A.45, is amended by adding a subdivision to read:

Subd. 5. [SEPARATE ACCOUNTING.] The commissioner shall account for revenue collected from public and private mixed municipal solid waste collection and disposal services under this section separately from other tax revenue collected under this chapter.

Sec. 81. Minnesota Statutes 1992, section 299K.08, is amended by adding a subdivision to read:

Subd. 3. [TOXIC CHEMICAL RELEASE REPORTING.] (a) Except as provided in paragraph (b), in addition to facilities specified in the federal act, the following facilities shall comply with the toxic chemical release reporting requirements of section 11023 of the federal act and United States Code, title 42, section 13106, to the same extent as facilities that are required by federal law to comply with these requirements: facilities having a two-digit standard industrial classification of 10, 40, 45, or 49; a three-digit standard industrial classification of 806, 807, or 822; or a four-digit standard industrial classification of 5161, 5162, 5169, 7384, 7389 (solvent recovery facilities only), 8734, or 9223.

(b) For the facilities added in this section, the toxic chemical release reporting requirements of section 11023 of the federal act, and sections 115D.07, 115D.08, and 115D.12, do not apply to substances that are associated with or incidental to the combustion of fossil fuels or other fuels for the generation of electricity or the production of steam.

Sec. 82. Minnesota Statutes 1992, section 299K.08, is amended by adding a subdivision to read:

Subd. 4. [EXEMPTIONS.] (a) A person may petition the commission to:

(1) exempt all facilities having a standard industrial classification listed in subdivision 3, or a classification within one of the listed classifications, from the reporting requirements of subdivision 3; or

(2) review a previously granted exemption.

(b) In making a determination on a petition under paragraph (a), the commission shall consider:

(1) the reported or estimated releases and transfers from facilities within the affected classification;

(2) the quality of the data submitted;

(3) the extent to which facilities within the affected classification report no releases or transfers;

(4) the number of reporting facilities in the affected classification;

(5) the percentage of all releases and transfers in the state that are reported by facilities in the affected classification;

(6) hazards to public safety and the environment posed by releases and transfers from facilities in the affected classification; and

(7) other factors identified by the commission.

(c) The commission shall hold at least one public meeting to receive testimony on the petition. The commission shall publish in the State Register notice of granted exemptions. The commission shall report on the status of petitions and exemptions as part of the annual toxic release inventory report.

(d) A facility specified in paragraph (a) that is not within a classification exempted under paragraph (b) and does not release or transfer chemicals subject to reporting under section 11023 of the federal act is exempt from reporting under subdivision 3 if the owner or operator of the facility certifies in writing to the commission that there are no releases or transfers at the facility. The certification must be submitted to the commission by the first reporting date for the facility under the federal act. The facility is exempt from further reporting unless there is a release or transfer from the facility or there is a change in the facility's standard industrial classification. Facilities that qualify for this exemption shall maintain documentation supporting the exemption and shall provide this documentation at the request of the commission.

Sec. 83. Minnesota Statutes 1992, section 473.351, subdivision 2, is amended to read:

Subd. 2. [METROPOLITAN COUNCIL OBLIGATION.] Annually before August 1 the metropolitan council shall distribute grant money received from the commissioner of ~~trade and economic development~~ natural resources to fund the operation and maintenance expenditures of the implementing agencies for the operation and maintenance of regional park and open space systems. The metropolitan council shall annually report to the legislature the amount distributed to each implementing agency and its estimate of the percentage of operation and maintenance expenditures paid for with operation and maintenance money.

Sec. 84. [ADMINISTRATION OF EXISTING UNITS NOT AFFECTED.]

This act does not affect the administration, as defined in Minnesota Statutes, section 86A.03, subdivision 4, of state parks and recreation areas in existence before July 1, 1993.

## Sec. 85. [MODIFICATION OF TIMBER PERMITS.]

The commissioner may modify a timber permit covering standing timber that was damaged as a result of windstorms that occurred on September 16, 1992. This subdivision expires June 1, 1995.

## Sec. 86. [LAKE SUPERIOR DIVER ACCESS.]

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

## Sec. 87. [INFORMATION POLICY OFFICE (IPO) APPROVAL.]

Appropriations for information systems shall not be allotted until the commissioner of the agency certifies to the commissioner of finance that all IPO project requirements have been met or will be met. If the appropriation for either year is insufficient, the appropriation for the other year is available.

## Sec. 88. [INSURANCE BUYOUT FORMULA FOR LANDFILL LIABILITY.]

The commissioner of commerce shall prepare a recommended formula for determining a specific amount an insurance company may tender to the state in lieu of payment of benefits, if any, under all policies issued by the company which may be claimed to provide coverage for damages arising out of contamination at permitted mixed municipal solid waste disposal facilities. By November 1, 1993, the commissioner shall submit the recommended formula to the senate committees on environment and natural resources and commerce and consumer protection and the house of representatives committees on environment and natural resources and financial institutions and insurance. The formula must take into account the likelihood and extent of coverage, if any, under the policies, and other factors determined by the commissioner to be relevant. The commissioner shall also report on the fiscal impact of the formula on insurance companies which may have issued policies. The commissioner shall consult with insurance industry representatives in developing the formula. The commissioner may contract with actuaries and other consultants in developing the formula. The commissioner of the pollution control agency shall cooperate with the commissioner of commerce in developing the formula.

## Sec. 89. [CLAIMS OF MARSHALL COUNTY RELATING TO CONSOLIDATED CONSERVATION LANDS.]

The commissioner of natural resources shall review claims from Marshall county for road construction and maintenance costs from 1986 to 1992 that are payable under Minnesota Statutes, section 84A.32, subdivision 1, paragraph (d), and shall pay appropriate amounts from the state portion of Marshall county receipts. The commissioner shall prepare a five-year projection of receipts available to pay the claims and report the amounts to the county and the legislature. Claims for calendar year 1993 and subsequent years must be submitted on forms provided by the commissioner by April 15 of the following calendar year.

## Sec. 90. [SHREDDER RESIDUE; GRANTS.]

The commissioner of the pollution control agency may make a grant to a person engaged in the business of shredding and recycling motor vehicles, appliances, and other sources of recyclable steel for the purposes of studying the feasibility of alternative methods of managing shredder residue left over after the reusable and recyclable materials are removed. A person applying for a grant shall include in the application a list of the activities the person will undertake and reasonable estimates of the costs of those activities. The commissioner shall determine the amount of the grant, not to exceed \$300,000 or 50 percent of the total cost of the studies proposed in the grant application, whichever is less.

A person receiving a grant under this section may use the proceeds of the grant for the costs of:

(1) determining and testing methods of reducing the amount of shredder residue and the amount of hazardous constituents in the residue;

(2) periodic testing of shredder residue for hazardous constituents over a limited time period to be determined by the commissioner, but not less than six months;

(3) research and development of potential beneficial uses of the residue, including any preprocessing methods that may be applied to the residue to enable it to be beneficially used; and

(4) any necessary testing of alternative management technologies to determine the environmental and economic effects of the technologies.

## Sec. 91. [STUDY; WEIGHTING HAZARDOUS SUBSTANCES BY SEVERITY OF HAZARD.]

The commissioner of the pollution control agency shall study the feasibility and advisability of weighting hazardous substances by the severity of the hazards associated with the substances for the purposes of assessing hazardous waste generator fees under Minnesota Statutes 1992, section 116.12, hazardous waste generator taxes under Minnesota Statutes 1992, section 115B.22, toxic pollution prevention fees under Minnesota Statutes 1992, section 115D.12, and any other fees paid by persons who use, store, transport, or treat hazardous substances or who generate hazardous waste or emit hazardous substances to the air, land, or waters of the state. By January 15, 1994, the commissioner shall report the findings of the study to the legislative commission on waste management and to each chair and member of the environment and natural resources policy and finance committees of the legislature.

## Sec. 92. [SOLID WASTE FEE STUDY.]

The director of the office of waste management, in consultation with the commissioner of the pollution control agency, shall conduct a study of all taxes, surcharges, service charges, service fees, license fees, utility fees, permit fees, and all other taxes, surcharges, or fees imposed on solid waste collection, processing, or disposal by state, county, and local units of government. The study shall include the rate and amount of each charge collected and shall include analysis of the use of all the money collected. The study shall be completed by December 1, 1994, and shall be submitted to the legislative commission on waste management and the environment and natural resources finance committees and divisions of the legislature. The study shall recommend appropriate sources of revenue for funding of:

- (1) agency solid waste regulatory activities;
- (2) solid waste management activities of local units of government; and
- (3) the appropriateness of redirecting existing waste management fees to the cleanup of landfills.

## Sec. 93. [REPEALER.]

(a) Minnesota Statutes 1992, sections 115B.21, subdivisions 4 and 6; and 115B.22, subdivisions 1, 2, 3, 4, 5, and 6, are repealed on January 1, 1994.

(b) Minnesota Statutes 1992, section 116J.406, is repealed.

(c) Minnesota Statutes 1992, sections 115B.21 to 115B.24, are repealed effective January 1, 2004.

## Sec. 94. [EFFECTIVE DATES.]

Sections 5, subdivision 10; 44; 47; 85; and 86 are effective the day following final enactment. Sections 43; 45; and 46 are effective August 1, 1993. Sections 64 and 80 are effective January 1, 1994."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; transferring responsibilities to the commissioner of natural resources; continuing the citizen's council on Voyageurs national park; establishing the Cuyuna country state recreation area; modifying provisions relating to timber sales; providing for crop protection assistance; establishing a grant program to determine how to manage motor vehicle shredder residue; imposing a solid waste assessment; modifying the hazardous waste generator tax; establishing a hazardous waste generator loan program; expanding the number of facilities subject to pollution prevention requirements; requiring reports relating to toxic air contaminants; amending Minnesota Statutes 1992, sections 17.59, subdivision 5; 17A.11; 18B.05, subdivision 2; 18C.131; 21.115; 21.92; 25.39, subdivision 4; 27.07, subdivision 6; 32.394, subdivision 9; 41A.09, subdivisions 1 and 3; 84.027, by adding a subdivision; 84B.11, subdivision 1; 85.045, subdivision 2; 85.22, subdivision 2a; 86A.04; 86A.05, subdivisions 2 and 3; 86A.08, subdivision 1; 88.79, subdivision 2; 90.031, subdivision 4; 90.041, by adding a subdivision; 90.101, subdivision 1; 90.121; 90.201, by adding a subdivision; 92.46, subdivision 1; 94.165; 97A.055, subdivision 1, and by adding a subdivision; 97A.071, subdivision 2; 97A.075, subdivision 1; 97A.441, by adding a subdivision; 97A.475, subdivision 12; 97C.355, subdivision 2; 115A.90, by adding a subdivision; 115A.908, subdivisions 2 and 3; 115A.96, subdivisions 3 and 4; 115B.22, by adding subdivisions; 115B.24, subdivision 6; 115B.42, subdivision 2; 115D.07, subdivision 1; 115D.10; 115D.12, subdivision 2; 116.07, by adding a subdivision; 116J.401; 116P.10; 297A.45, by adding a subdivision; 299K.08, by adding subdivisions; and 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 97A; 115A; 115B; and 115D; repealing Minnesota Statutes 1992, sections 115B.21; 115B.22; 115B.23; 115B.24; and 116J.406."

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

Senate Conferees: STEVEN MORSE, GENE MERRIAM, GARY W. LAIDIG, JANET B. JOHNSON AND BOB LESSARD.

House Conferees: DAVID BATTAGLIA, TOM OSTHOFF, STEVE TRIMBLE, WILLARD MUNGER AND VIRGIL J. JOHNSON.

Battaglia moved that the report of the Conference Committee on S. F. No. 1570 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1570, A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; transferring responsibilities to the commissioner of natural resources; continuing the citizen's council on Voyageurs national park; providing for crop protection assistance; changing certain license fees; imposing a solid waste assessment; modifying the hazardous waste generator tax; establishing a hazardous waste generator loan program; expanding the number of facilities subject to pollution prevention requirements; providing for membership on the legislative commission on Minnesota resources; requiring a toxic air contaminant strategy; amending Minnesota Statutes 1992, sections 17.59, subdivision 5; 17A.11; 18B.05, subdivision 2; 18C.131; 21.115; 21.92; 25.39, subdivision 4; 27.07, subdivision 6; 32.394, subdivision 9; 32A.05, subdivision 4; 41A.09, by adding a subdivision; 84.027, by adding a subdivision; 85.016; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 97A.055, subdivision 1, and by adding a subdivision; 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 1 and 4; 97A.441, by adding a subdivision; 97A.475, subdivision 12; 97C.355, subdivision 2; 103F.725, by adding a subdivision; 115A.96, subdivisions 3 and 4; 115B.22, by adding subdivisions; 115B.24, subdivision 6; 115B.42, subdivision 2; 115D.07, subdivision 1; 115D.10; 115D.12, subdivision 2; 116J.401; 116P.05, subdivision 1; 116P.10; 116P.11; 160.265; 297A.45, by adding a subdivision; 299K.08, by adding a subdivision; 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 97A; 115A; 115B; and 115D; repealing Minnesota Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 2, 3, and 4; 97B.715, subdivision 1; 97B.801; 97C.305; 115B.21, subdivisions 4 and 6; 115B.22, subdivisions 1, 2, 3, 4, 5, and 6.

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

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

Anderson, I., moved that when the House adjourns today it adjourn until 8:30 a.m., Saturday, May 8, 1993. The motion prevailed.

### SPECIAL ORDERS

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

### GENERAL ORDERS

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

### MOTIONS AND RESOLUTIONS

Reding moved that the name of Asch be added as an author on H. F. No. 192. The motion prevailed.

Wolf moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Monday, May 3, 1993, when the vote was taken on the final passage of H. F. No. 571, as amended." The motion prevailed.

Lasley moved that H. F. No. 303 be recalled from the Committee on General Legislation, Veterans Affairs and Elections and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

### MOTION FOR RECONSIDERATION

Bertram and Goodno moved that the vote whereby H. F. No. 1387 was not passed, as amended, on Wednesday, May 5, 1993, be now reconsidered. The motion prevailed.

H. F. No. 1387, as amended, was reported to the House.

Bertram and Goodno moved that H. F. No. 1387, as amended, be placed at the top of General Orders. The motion prevailed.

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 988:

Sparby, Tunheim and Stanius.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1151:

Dauner, Cooper and Goodno.

## ANNOUNCEMENT BY THE SPEAKER

May 6, 1993

On Wednesday, May 5, 1993, after S. F. No. 1619, the treaty bill, was defeated in the House for the second time, a House member made a parliamentary inquiry. I discussed the inquiry with the Chief Clerk and he advised me that the bill was dead and could not be reconsidered during this session. I made that announcement to the body.

The Chief Clerk and his staff have since researched the question, checking our rules, "Mason's Manual of Legislative Procedure" and House Journal records going back more than 25 years to determine House precedent.

I am now advised that as long as the motion to reconsider prevails it is possible to vote on final passage of this measure again and again. If the motion to reconsider loses, that motion cannot be renewed.

I am, therefore, announcing that a motion to reconsider the vote whereby S. F. No. 1619 was not passed on Wednesday, May 5, 1993, would be in order on Thursday, May 6, 1993, or on Friday, May 7, 1993.

I am sorry for this confusion but you must remember we are plowing new ground here. This situation has never before occurred in my 15 years with the legislature. Also, it is important to understand that I did not rule on a point of order, I merely responded to a parliamentary inquiry.

I hope this clears up any misunderstanding about Wednesday's procedure.

## ADJOURNMENT

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 8:30 a.m., Saturday, May 8, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-FOURTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MAY 8, 1993

The House of Representatives convened at 8:30 a.m. and was called to order by Dee Long, Speaker of the House.

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

The roll was called and the following members were present:

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

A quorum was present.

Simoneau was excused.

Gruenes was excused until 10:50 a.m. Greenfield and Lourey were excused until 11:10 a.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 141 and H. F. No. 243, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 141 be substituted for H. F. No. 243 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 304 and H. F. No. 687, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rukavina moved that the rules be so far suspended that S. F. No. 304 be substituted for H. F. No. 687 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 544 and H. F. No. 651, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Winter moved that the rules be so far suspended that S. F. No. 544 be substituted for H. F. No. 651 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 694 and H. F. No. 900, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 694 be substituted for H. F. No. 900 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 785 and H. F. No. 349, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rukavina moved that S. F. No. 785 be substituted for H. F. No. 349 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 788 and H. F. No. 834, 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. 788 be substituted for H. F. No. 834 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 826 and H. F. No. 1493, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Perlt moved that the rules be so far suspended that S. F. No. 826 be substituted for H. F. No. 1493 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 894 and H. F. No. 1065, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Steensma moved that the rules be so far suspended that S. F. No. 894 be substituted for H. F. No. 1065 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 937 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

Mahon moved that the rules be so far suspended that S. F. No. 937 be substituted for H. F. No. 973 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1064 and H. F. No. 1282, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Reding moved that S. F. No. 1064 be substituted for H. F. No. 1282 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1115 and H. F. No. 1068, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Bettermann moved that the rules be so far suspended that S. F. No. 1115 be substituted for H. F. No. 1068 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1226 and H. F. No. 1301, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 1226 be substituted for H. F. No. 1301 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1232 and H. F. No. 1519, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Beard moved that the rules be so far suspended that S. F. No. 1232 be substituted for H. F. No. 1519 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1320 and H. F. No. 1195, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Olson, K., moved that the rules be so far suspended that S. F. No. 1320 be substituted for H. F. No. 1195 and that the House File be indefinitely postponed. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 5, 1993

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

Dear Speaker Long:

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

H. F. No. 1122, relating to transportation; prohibiting parking in transit stops marked with a handicapped sign; establishing priority for transit in energy emergencies; requiring motor vehicles to yield to transit buses entering traffic.

H. F. No. 1428, relating to occupations and professions; dentistry; modifying a certain exception to the licensing requirements; establishing faculty, resident dentist, and specialty licenses; modifying a certain ground for disciplinary action.

H. F. No. 667, relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements.

H. F. No. 1424, relating to pollution control; exempting certain storage tanks from notification, environmental protection, tank installer training and certification, and other requirements.

H. F. No. 945, relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action.

H. F. No. 768, relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

H. F. No. 893, relating to local government; specifying the prosecuting attorney for certain offenses.

H. F. No. 1153, relating to civil actions; clarifying the limits on recovery for economic loss caused by components of manufactured goods.

H. F. No. 51, relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles.

H. F. No. 1404, relating to the cities of New Brighton and St. Louis Park; permitting the cities to acquire granular carbon without a bond.

Warmest regards,

ARNE H. CARLSON  
Governor

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

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</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>1993</i>	<i>Date Filed</i> <i>1993</i>
	1122	83	6:18 p.m. May 5	May 6
	1428	84	6:25 p.m. May 5	May 6
737		85	6:12 p.m. May 5	May 6
	667	86	6:15 p.m. May 5	May 6
	1424	87	6:22 p.m. May 5	May 6
	945	88	6:18 p.m. May 5	May 6
	768	89	6:15 p.m. May 5	May 6
	893	90	6:17 p.m. May 5	May 6
	1153	91	6:20 p.m. May 5	May 6
397		92	6:10 p.m. May 5	May 6
	51	93	6:13 p.m. May 5	May 6
	1404	94	6:20 p.m. May 5	May 6
1466		104	6:13 p.m. May 5	May 6

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### SECOND READING OF SENATE BILLS

S. F. Nos. 141, 304, 544, 694, 785, 788, 826, 894, 937, 1064, 1115, 1226, 1232 and 1320 were read for the second time.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dempsey and Davids introduced:

H. F. No. 1770, A bill for an act relating to human services; permitting local ordinances to exclude a convicted sex offender or violent offender whose victim was a child from a residential program located in the same community where the crime was committed; requiring the commissioner of corrections to notify county officials before placing

a convicted sex offender in the same community where the crime was committed; amending Minnesota Statutes 1992, sections 245A.11, subdivision 1; 609.1352, by adding a subdivision; and 609.346, subdivision 5.

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

Bishop introduced:

H. F. No. 1771, A bill for an act relating to utilities; requiring municipality to petition public utilities commission before it may furnish electric service while eminent domain proceedings are pending to acquire electric utility; amending Minnesota Statutes 1992, section 216B.47.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

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

subdivision 3; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; 477A.03, subdivision 1; and 477A.14; Laws 1953, chapter 387, section 1; Laws 1969, chapter 561, section 1; Laws 1971, chapters 373, sections 1 and 2; 455, section 1; Laws 1985, chapter 302, sections 1, subdivision 3; 2, subdivision 1; and 4; proposing coding for new law in Minnesota Statutes, chapters 17; 116; 134; 270; 272; 273; 295; 297A; 383A; and 469; repealing Minnesota Statutes 1992, sections 115B.24, subdivision 10; 272.115, subdivision 1a; 273.1398, subdivision 5; 275.07, subdivision 3; 297A.01, subdivision 16; 297A.25, subdivision 42; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5; Laws 1953, chapter 387, section 2; Laws 1963, chapter 603, section 1; and Laws 1969, chapter 592, sections 1 to 3.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

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

H. F. No. 947, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited lands that border public water in Sherburne and Stearns counties.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Bauerly moved that the House concur in the Senate amendments to H. F. No. 947 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 947, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited lands that border public water in Sherburne, Hubbard, and Stearns counties.

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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 1402, A bill for an act relating to natural resources; amending requirements relating to replacement of wetlands; modifying exemptions; amending Minnesota Statutes 1992, sections 103E.701, subdivision 1; 103G.222; 103G.2241; 103G.2242, subdivision 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2.

PATRICK E. FLAHAVER, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Anderson, I., moved that the House concur in the Senate amendments to H. F. No. 1402 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1402, A bill for an act relating to natural resources; defining as "repair" under the drainage code certain incidental straightening of tiles and use of larger tile sizes under certain circumstances; amending requirements relating to replacement of wetlands; modifying exemptions; requiring the wetland heritage advisory committee to meet at least twice per year; requiring a report; amending Minnesota Statutes 1992, sections 103E.701, subdivision 1; 103G.222; 103G.2241; 103G.2242, subdivisions 2 and 11; and 103G.2369, subdivision 2, and by adding a subdivision; Laws 1991, chapter 354, article 7, section 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 964, A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

PATRICK E. FLAHAVER, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 964 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 964, A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

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

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

Those who voted in the affirmative were:

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

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

Madam Speaker:

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

H. F. No. 238, A bill for an act relating to towns; providing that metropolitan town elections may take place on the general election day; amending Minnesota Statutes 1992, sections 365.51, subdivision 1, and by adding a subdivision; and 365.59.

PATRICK E. FLAHAVEN, Secretary of the Senate

Molnau moved that the House refuse to concur in the Senate amendments to H. F. No. 238, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 1585, A bill for an act relating to crime; imposing penalties for a variety of firearms-related offenses; expanding forfeiture provisions; revising and increasing penalties for stalking, harassment, and domestic abuse

offenses; providing for improved training, investigation and enforcement of these laws; increasing penalties for and making revisions to certain controlled substance offenses; increasing penalties for crimes committed by groups; increasing penalties and improving enforcement of arson and related crimes; making certain changes to restitution and other crime victim laws; revising laws relating to law enforcement agencies, and state and local corrections agencies; requiring certain counties to establish pretrial diversion programs; revising and increasing penalties for a variety of other criminal laws; clarifying certain provisions for the new felony sentencing system; making technical corrections to sentencing statutes; regulating crimes in certain shopping areas; making knowing transfer of HIV virus a felony; increasing parental liability; limiting right to refuse blood testing; appropriating money; amending Minnesota Statutes 1992, sections 8.16, subdivision 1; 13.87, subdivision 2; 16B.08, subdivision 7; 127.03, subdivision 3; 144.765; 144A.04, subdivisions 4 and 6; 144A.11, subdivision 3a; 144B.08, subdivision 3; 152.01, by adding a subdivision; 152.021, subdivision 3; 152.022, subdivisions 1, 2, and 3; 152.023, subdivisions 2 and 3; 152.024, subdivisions 1 and 3; 152.025, subdivision 3; 152.026; 152.0971, subdivisions 1, 3, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; 152.0974; 152.18, subdivision 1; 168.346; 169.121, subdivision 3a; 169.222, subdivisions 1 and 6; 169.64, subdivision 3; 169.98, subdivision 1a; 214.10, by adding subdivisions; 238.16, subdivision 2; 241.09; 241.26, subdivision 5; 241.67, subdivision 2; 243.166, subdivision 1; 243.23, subdivision 3; 244.01, subdivision 8, and by adding a subdivision; 244.05, subdivisions 1b, 4, 5, and by adding a subdivision; 244.065; 244.101; 244.14, subdivisions 2 and 3; 244.15, subdivision 1; 244.17, subdivision 3; 244.171, subdivisions 3 and 4; 244.172, subdivisions 1 and 2; 260.185, subdivisions 1 and 1a; 260.193, subdivision 8; 260.251, subdivision 1; 299A.35, subdivision 2; 299C.46, by adding a subdivision; 299D.03, subdivision 1; 299D.06; 299F.04, by adding a subdivision; 299F.815, subdivision 1; 388.23, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 401.02, subdivision 4; 473.386, by adding a subdivision; 480.0591, subdivision 6; 480.30; 485.018, subdivision 5; 518B.01, subdivisions 2, 3, 6, 7, 9, and 14; 540.18, subdivision 1; 541.15; 609.02, subdivision 6; 609.0341, subdivision 1; 609.035; 609.05, subdivision 1; 609.06; 609.101, subdivisions 2, 3, and 4; 609.11; 609.135, subdivisions 1 and 2; 609.1352, subdivision 1; 609.14, subdivision 1; 609.15, subdivision 2; 609.152, subdivisions 1 and 2; 609.175, subdivision 2, and by adding a subdivision; 609.184, subdivision 2; 609.196; 609.224, subdivision 2; 609.229, subdivision 3; 609.251; 609.341, subdivisions 10, 17, 18, and 19; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivisions 2, 2b, and 5; 609.3461; 609.378, subdivision 1; 609.494; 609.495; 609.505; 609.531, subdivision 1; 609.5314, subdivision 1; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.582, subdivision 1a; 609.585; 609.605, subdivision 1, and by adding a subdivision; 609.66, subdivisions 1, 1a, and by adding subdivisions; 609.67, subdivisions 1 and 2; 609.686; 609.71; 609.713, subdivision 1; 609.746, by adding a subdivision; 609.748, subdivisions 1, 2, 3, 5, 6, 8, and by adding subdivisions; 609.79, subdivision 1; 609.795, subdivision 1; 609.856, subdivision 1; 609.891, subdivision 2; 609.902, subdivision 4; 611A.02, subdivision 2; 611A.031; 611A.0315; 611A.04, subdivisions 1, 1a, 3, and by adding a subdivision; 611A.06, subdivision 1; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; 624.711; 624.712, subdivisions 5, 6, and by adding a subdivision; 624.713; 624.7131, subdivisions 1, 4, and 10; 624.7132; 626.05, subdivision 1; 626.13; 626.556, subdivision 10; 626.8451, subdivision 1a; 626A.05, subdivision 1; 626A.06, subdivisions 4, 5, and 6; 626A.10, subdivision 1; 626A.11, subdivision 1; 628.26; 629.291, subdivision 1; 629.34, subdivision 1; 629.341, subdivision 1; 629.342, subdivision 2; 629.72; 631.046, subdivision 1; 631.41; and 641.14; Laws 1991, chapter 279, section 41; Laws 1992, chapter 571, article 7, section 13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 121; 152; 169; 174; 242; 260; 401; 473; 593; 609; 611A; and 624; repealing Minnesota Statutes 1992, sections 152.0973, subdivision 4; 214.10, subdivisions 4, 5, 6, and 7; 241.25; 609.02, subdivisions 12 and 13; 609.131, subdivision 1a; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; 609.795, subdivision 2; 611A.57, subdivision 1; and 629.40, subdivision 5.

PATRICK E. FLAHAVER, Secretary of the Senate

Skoglund moved that the House refuse to concur in the Senate amendments to H. F. No. 1585, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 427, A bill for an act relating to taxation; making technical corrections and administrative changes to sales and use taxes, income and franchise taxes, property taxes, and tax administration and enforcement; changing penalties; appropriating money; amending Minnesota Statutes 1992, sections 82B.035, by adding a subdivision; 84.82, subdivision 10; 86B.401, subdivision 12; 270.071, subdivision 2; 270.072, subdivision 2; 271.06, subdivision 1; 271.09,

subdivision 3; 272.02, subdivisions 1 and 4; 272.025, subdivision 1; 272.12; 273.03, subdivision 2; 273.061, subdivision 8; 273.124, subdivisions 9 and 13; 273.13, subdivision 25; 273.138, subdivision 5; 273.1398, subdivisions 1, 3, and 5b; 274.13, subdivision 1; 274.18; 275.065, subdivision 5a; 275.07, subdivisions 1 and 4; 275.28, subdivision 3; 275.295; 277.01, subdivision 2; 277.15; 277.17; 278.01, subdivision 1; 278.02; 278.03; 278.04; 278.08; 278.09; 287.21, subdivision 4; 287.22; 289A.08, subdivisions 3, 10, and 15; 289A.09, subdivision 1; 289A.11, subdivisions 1 and 3; 289A.12, subdivisions 2, 3, 4, 7, 8, 9, 10, 11, 12, and 14; 289A.18, subdivisions 1 and 4; 289A.20, subdivision 4; 289A.25, subdivisions 1, 2, 5a, 6, 8, 10, and 12; 289A.26, subdivisions 1, 4, and 6; 290A.04, subdivisions 1 and 2h; 296.14, subdivision 2; 297A.01, subdivision 3; 297B.01, subdivision 5; 297B.03; 347.10; 348.04; 469.175, subdivision 5; and 473H.10, subdivision 3; Laws 1991, chapter 291, article 1, section 65, as amended; Laws 1992, chapter 511, article 2, section 61; proposing coding for new law in Minnesota Statutes, chapters 273; 289A; and 297; repealing Minnesota Statutes 1992, sections 60A.13, subdivision 1a; 273.49; 274.19; 274.20; 277.011; 289A.08, subdivisions 9 and 12; 297A.258; and 348.03.

PATRICK E. FLAHAVEN, Secretary of the Senate

Winter moved that the House refuse to concur in the Senate amendments to H. F. No. 427, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

S. F. Nos. 993, 1403, 502, 4, 162, 760, 1101, 1472 and 1418.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 993, A bill for an act relating to public safety; allowing social security numbers of commercial drivers to be provided to the federal commercial driver license information system; allowing person whose vehicle license plates are impounded to designate a licensed driver for the purpose of obtaining special series license plates; prohibiting person whose license plates are impounded from purchasing a motor vehicle under certain conditions; clarifying driver's license classification provisions; imposing fee for duplicate identification card; requiring application for duplicate identification card when certain information changes; including certain traffic offenses as being serious violations when committed by commercial vehicle drivers; providing for driver's license reinstatement fees; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 168.042, subdivision 12, and by adding a subdivision; 171.02, subdivision 2; 171.06, subdivision 2; 171.11; 171.165, subdivision 4; and 171.29, subdivision 2.

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

S. F. No. 1403, A bill for an act relating to utilities; expanding duties of chair of public utilities commission; amending Minnesota Statutes 1992, section 216A.03, subdivision 3a.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

S. F. No. 502, A bill for an act relating to health; asbestos abatement; modifying provisions relating to asbestos-related work, licenses, and fees; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 326.71, subdivisions 3, 4, 5, 6, 8, and by adding subdivisions; 326.72; 326.73; 326.74; 326.75; 326.76; 326.78; 326.785; 326.79; 326.80; and 326.81; repealing Minnesota Statutes 1992, sections 326.71, subdivision 7.

The bill was read for the first time.

Orfield moved that S. F. No. 502 and H. F. No. 726, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 4, A bill for an act relating to retirement; providing an open appropriation for payment of state reimbursement for supplemental retirement benefits paid to volunteer firefighters; amending Minnesota Statutes 1992, section 424A.10, subdivision 3.

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

S. F. No. 162, A bill for an act relating to retirement; increasing the individual retirement account plans employer contribution rate; amending Minnesota Statutes 1992, section 354B.04, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 354B.

The bill was read for the first time.

Reding moved that S. F. No. 162 and H. F. No. 147, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 760, A bill for an act relating to natural resources; granting power to the commissioner of natural resources to give nominal gifts, acknowledge contributions, and sell advertising; appropriating money; amending Minnesota Statutes 1992, section 84.027, by adding a subdivision.

The bill was read for the first time.

Wolf moved that S. F. No. 760 and H. F. No. 859, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1101, A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing cease and desist orders; providing for penalties; appropriating money; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; and 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

The bill was read for the first time.

Bauerly moved that S. F. No. 1101 and H. F. No. 1317, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1472, A bill for an act relating to economic development; limiting certain daily payments; amending Minnesota Statutes 1992, section 469.011, subdivision 4.

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

S. F. No. 1418, A bill for an act relating to state government; public employment; establishing a pilot project in certain entities; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees; requiring the commissioner of employee relations to conduct experimental or research projects to improve human resource management practices.

The bill was read for the first time.

Orenstein moved that S. F. No. 1418 and H. F. No. 1661, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 546

A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

May 7, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 546, 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. 546 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [84.93] [LAND USE FOR CERTAIN VEHICLES RESTRICTED.]

After June 1, 1993, the commissioner may not allow the use of state lands or acquire private lands for development or operation of a motor sports area for use by all-terrain vehicles, motorcycles, or four-wheel drive trucks without legislative approval. This restriction does not apply to recreational trails.

Sec. 2. [89.025] [DORER MEMORIAL HARDWOOD FOREST; LAND USE RESTRICTED.]

After June 1, 1993, the commissioner may not allow the use of additional state forest lands within the boundaries of the Richard J. Dorer Memorial Hardwood State Forest for development or operation of a motor sports area for use by all-terrain vehicles, motorcycles, or four-wheel drive trucks without legislative approval. This restriction does not apply to recreational trails.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to outdoor recreation; requiring legislative approval of development or operation of motor sports areas by commissioner of natural resources; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest; proposing coding for new law in Minnesota Statutes, chapters 84 and 89."

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

House Conferees: BOB WALTMAN, WILLARD MUNGER AND SIDNEY PAULY.

Senate Conferees: STEVE L. MURPHY, STEVEN MORSE AND SHEILA M. KISCADEN.

Waltman moved that the report of the Conference Committee on H. F. No. 546 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 546, A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of S. F. No. 338.

S. F. No. 338, A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; providing for certain grants and projects; appropriating money; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

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

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

The bill was passed and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

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

The following Conference Committee Report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 163

A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

May 5, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 163, 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. 163 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

Subd. 9a. [ELECTION CYCLE.] "Election cycle" means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that "election cycle" for a special election means the period from the date the special election writ is issued to 60 days after the special election is held.

Sec. 2. Minnesota Statutes 1992, section 10A.01, subdivision 10b, is amended to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution to that candidate. An expenditure by a political party or political party unit, as defined in section 10A.275, subdivision 3, in a race where the political party has a candidate on the ballot is not an independent expenditure.

Sec. 3. Minnesota Statutes 1992, section 10A.01, subdivision 10c, is amended to read:

Subd. 10c. [NONCAMPAIGN DISBURSEMENT.] "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

Noncampaign disbursement includes any of the following purposes:

- (a) payment for accounting and legal services;
- (b) return of a contribution to the source;
- (c) repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;
- (d) return of ~~money from the state elections campaign fund~~ a public subsidy;
- (e) payment for food, beverages, entertainment, and facility rental for a fundraising event;
- (f) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to ~~60 days after adjournment sine die~~ of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;
- (g) a donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f);
- (h) payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities;
- (i) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;
- (j) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;
- (k) costs of child care for the candidate's children when campaigning;
- (l) fees paid to attend a campaign school;

(m) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;

(n) interest on loans paid by a principal campaign committee on outstanding loans;

(o) filing fees;

(p) post-general election thank-you notes or advertisements in the news media;

(q) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;

(r) transfers to a party unit as defined in section 10A.275, subdivision 3; and

(s) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision; and

~~(h) Payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities.~~

Sec. 4. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

Subd. 29. [POPULATION.] "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the metropolitan council, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.

Sec. 5. Minnesota Statutes 1992, section 10A.04, is amended by adding a subdivision to read:

Subd. 8. [REPORTS BY SOLICITORS.] A lobbyist who directly solicits and causes others to make aggregate contributions to candidates or a caucus of the members of a political party in a house of the legislature in excess of \$5,000 between January 1 of the election year and 25 days before the primary or general election must file the information in the report required by section 10A.20, subdivision 14, ten days before the primary or general election. This disclosure requirement is in addition to the report required by section 10A.20, subdivision 14.

Sec. 6. Minnesota Statutes 1992, section 10A.065, subdivision 1, is amended to read:

Subdivision 1. [REGISTERED LOBBYIST CONTRIBUTIONS; LEGISLATIVE SESSION.] A candidate for the legislature or for constitutional office, a candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature, shall not solicit or accept a contribution on behalf of ~~the~~ a candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature, from a registered lobbyist, political committee, or political fund during a regular session of the legislature.

Sec. 7. Minnesota Statutes 1992, section 10A.065, subdivision 5, is amended to read:

Subd. 5. [POLITICAL COMMITTEE.] This section does not apply to a political committee established by a state political party; by the party organization within a congressional district, county, legislative district, municipality, or precinct; ~~by all or part of the party organization within each house of the legislature, except for individual members;~~ by a candidate for a judicial office; or to a member of such a political committee acting solely on behalf of the committee.

Sec. 8. Minnesota Statutes 1992, section 10A.14, subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The name and address of any supporting association of a political fund;

(c) The name and address of the chair, the treasurer, and any deputy treasurers;

(d) A listing of all depositories or safety deposit boxes used;

(e) A statement as to whether the committee is a principal campaign committee as authorized by section 10A.19, subdivision 1; and

(f) For political parties only, a list of categories of substate units as defined in section 10A.27, subdivision 4.

Sec. 9. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 3c. [RELATED COMMITTEES.] An individual, association, political committee, or political fund may establish, finance, maintain, or control a political committee or political fund. One who does this is a "parent." The political committee or fund so established, financed, maintained, or controlled is a "subsidiary." If the parent is an association, the association must create a political committee or political fund to serve as the parent for reporting purposes. A subsidiary must report its contribution to a candidate or principal campaign committee as attributable to its parent, and the contribution is counted toward the contribution limits in section 10A.27 of the parent as well as of the subsidiary.

Sec. 10. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 5. [LOBBYIST, POLITICAL COMMITTEE, OR POLITICAL FUND REGISTRATION NUMBER ON CHECKS.] A contribution made to a candidate by a lobbyist, political committee, or political fund must show the name of the lobbyist, political committee, or political fund and the number under which it is registered with the board.

Sec. 11. Minnesota Statutes 1992, section 10A.16, is amended to read:

10A.16 [EARMARKING CONTRIBUTIONS PROHIBITED.]

~~Any~~ An individual, political committee or political fund which receives may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient, and in the reports required by section 10A.20, the original source of the contribution, the fact that the contribution is earmarked and the candidate to whom it is directed. The ultimate recipient of any contribution so earmarked shall also disclose the original source and the individual, political committee, or political fund through which it is directed. This section applies only to contributions required to be disclosed by section 10A.20, subdivision 3, clause (b). ~~Any other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution and fails to make the required disclosure is guilty of a gross misdemeanor.~~

Sec. 12. Minnesota Statutes 1992, section 10A.17, subdivision 4, is amended to read:

Subd. 4. Any individual, political committee, or political fund who independently solicits or accepts contributions or makes independent expenditures on behalf of any candidate shall publicly disclose that the ~~candidate has not approved the expenditure~~ is an independent expenditure. All written communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate, shall contain a statement in conspicuous type that the activity is an independent expenditure and is not approved by the candidate nor is the candidate responsible for it. Similar language shall be included in all oral communications, in conspicuous type on the front page of all literature and advertisements published or posted, and at the end of all broadcast advertisements made by that individual, political committee or political fund on the candidate's behalf.

Sec. 13. Minnesota Statutes 1992, section 10A.17, subdivision 5, is amended to read:

Subd. 5. Any person who knowingly violates the provisions of subdivision 2 or 4, ~~or who falsely claims that the candidate has not approved the expenditure or activity~~ is guilty of a misdemeanor. A person who knowingly violates the provisions of subdivision 4 or falsely claims that an expenditure was an independent expenditure is guilty of a gross misdemeanor.

Sec. 14. Minnesota Statutes 1992, section 10A.19, subdivision 1, is amended to read:

Subdivision 1. No candidate shall accept contributions from any source, other than self, in aggregate in excess of \$100 or ~~any money from the state elections campaign fund~~ accept a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit as defined in section 10A.275, subdivision 3.

A political committee bearing a candidate's name or title or otherwise operating under the direct or indirect control of the candidate, other than a principal campaign committee of the candidate, may not accept contributions after the effective date of this section, and must be dissolved by December 31, 1993.

Sec. 15. Minnesota Statutes 1992, section 10A.20, subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year and additional reports shall be filed as required and in accordance with clauses (a) and (b).

(a) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall be filed ten days before a primary and a general election, seven days before a special primary and a special election, and ~~30~~ ten days after a special election cycle. The report due after a special election may be filed on January 31 following the special election if the special election is held not more than 60 days before that date.

(b) In each general election year political committees and political funds other than principal campaign committees shall file reports ten days before a primary and general election.

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 16. Minnesota Statutes 1992, section 10A.20, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF REPORT.] Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the

expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) Except for contributions to a candidate or committee for a candidate for office in a municipality as defined in section 471.345, subdivision 1, the name and address of each individual or association to whom aggregate noncampaign disbursements in excess of \$100 have been made within the year by or on behalf of a principal campaign committee, political committee, or political fund, together with the amount, date, and purpose of each noncampaign disbursement; and

(m) The sum of all noncampaign disbursements made within the year by or on behalf of a principal campaign committee, political committee, or political fund; and

(n) A report filed under subdivision 2, clause (b), by a political committee or political fund that is subject to subdivision 14, must contain the information required by subdivision 14, if the political committee or political fund has solicited and caused others to make aggregate contributions greater than \$5,000 between January 1 of the general election year and the end of the reporting period. This disclosure requirement is in addition to the report required by subdivision 14.

Sec. 17. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

Subd. 6b. [INDEPENDENT EXPENDITURES; NOTICE.] Within 24 hours after an individual, political committee, or political fund makes or becomes obligated by oral or written agreement to make an independent expenditure in excess of \$100, other than an expenditure by an association targeted to inform solely its own dues-paying members of the association's position on a candidate, the individual, political committee, or political fund shall file with the board a notice of the intent to make the expenditure. The notice must contain the information with respect to the expenditure that is required to be reported under subdivision 3, paragraph (g); except that if an expenditure is reported before it is made, the notice must include a reasonable estimate of the anticipated amount. Each new expenditure requires a new notice.

Sec. 18. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

Subd. 14. [REPORTS BY SOLICITORS.] An individual, association, political committee, or political fund, other than a candidate or the members of a candidate's principal campaign committee, that directly solicits and causes others to make contributions to candidates or a caucus of the members of a political party in a house of the legislature, that aggregate more than \$5,000 in a calendar year must file with the board a report disclosing the amount of each contribution, the names of the contributors, and to whom the contributions were given. The report for each calendar year must be filed with the board by January 31 of the following year. The report must cover the accumulated contributions made or received during the calendar year.

Sec. 19. Minnesota Statutes 1992, section 10A.24, subdivision 1, is amended to read:

Subdivision 1. [TERMINATION REPORT.] No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. "Assets" include credit balances at vendors and physical assets such as computers and postage stamps. Physical assets must be listed at their

fair market value. The termination report may be made at any time and shall include all information required in periodic reports.

Sec. 20. Minnesota Statutes 1992, section 10A.25, subdivision 2, is amended to read:

Subd. 2. (a) In a year in which an election is held for an office sought by a candidate, no expenditures shall be made by the principal campaign committee of that candidate, nor any approved expenditures made on behalf of that candidate which expenditures and approved expenditures result in an aggregate amount in excess of the following:

- (a) (1) For governor and lieutenant governor, running together, \$1,626,691;
- (b) (2) For attorney general, \$271,116;
- (c) (3) For secretary of state, state treasurer, and state auditor, separately, \$135,559;
- (d) (4) For state senator, \$40,669;
- (e) (5) For state representative, \$20,335.

(b) If a special election cycle occurs during a general election cycle, expenditures by or on behalf of a candidate in the special election do not count as expenditures by or on behalf of the candidate in the general election.

(c) The expenditure limits in this subdivision for an office are increased by ten percent for a candidate who is running for that office for the first time and who has not run previously for any other office whose territory now includes a population that is more than one-third of the population in the territory of the new office.

Sec. 21. Minnesota Statutes 1992, section 10A.25, subdivision 6, is amended to read:

Subd. 6. In any year following before an election year for the office held or sought, the aggregate amount of expenditures by and approved expenditures on behalf of a candidate for or holder of that office shall not exceed one-fourth 20 percent of the expenditure limit set forth in subdivision 2.

Sec. 22. Minnesota Statutes 1992, section 10A.25, subdivision 10, is amended to read:

Subd. 10. [EFFECT OF OPPONENT'S AGREEMENT.] (a) The expenditure limits imposed by this section apply only to candidates whose major political party opponents agree to be bound by the limits and who themselves agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns ~~in the form of an allocation of money from the state elections campaign fund.~~

(b) A candidate of a major political party who agrees to be bound by the limits and receives a public subsidy, who has an opponent who: (1) is a candidate of a major political party; and (2) does not agree to be bound by the limits but is otherwise eligible to receive a public subsidy:

- (i) is no longer bound by the limits, including those in section 10A.324, subdivision 1, paragraph (c); and
- (ii) is eligible to receive a public subsidy; and

(iii) also receives, or shares equally with any other candidate who agrees to be bound by limits, the opponent's share of the general account public subsidy under section 10A.31.

For purposes of this subdivision, "otherwise eligible to receive a public subsidy" means that a candidate meets the requirements of sections 10A.31, 10A.315, 10A.321, and 10A.322, but does not mean that the candidate has filed an affidavit of matching funds under section 10A.323.

Sec. 23. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

Subd. 11. [CARRYFORWARD; DISPOSITION OF OTHER FUNDS.] After all campaign expenditures and noncampaign disbursements for an election cycle have been made, an amount up to 50 percent of the expenditure limit for the office may be carried forward. Any remaining amount up to the total amount of the public subsidy from the state elections campaign fund and any public matching subsidy must be returned to the state treasury for credit

to the general fund under section 10A.324. Any remaining amount in excess of the total public subsidy must be contributed to the state elections campaign fund or a political party for multicandidate expenditures as defined in section 10A.275.

Sec. 24. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

Subd. 12. [UNUSED POSTAGE AND CREDIT BALANCES CARRIED FORWARD.] Postage that is purchased but not used during an election cycle and credit balances at vendors that exceed a combined total of \$500 must be carried forward and counted as expenditures during the election cycle during which they are used.

Sec. 25. Minnesota Statutes 1992, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. [CONTRIBUTION LIMITS.] Except as provided in subdivisions 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept aggregate contributions from made or delivered by any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, ~~\$20,000~~ \$2,000 in an election year for the office sought and ~~\$3,000~~ \$500 in other years;

(b) To a candidate for attorney general, ~~\$10,000~~ \$1,000 in an election year for the office sought and ~~\$2,000~~ \$200 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, ~~\$5,000~~ \$500 in an election year for the office sought and ~~\$1,000~~ \$100 in other years;

(d) To a candidate for state senator, ~~\$1,500~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in other years; and

(e) To a candidate for state representative, ~~\$750~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in the other year.

The following deliveries are not subject to the bundling limitation in this subdivision:

(1) delivery of contributions collected by a member of the candidate's principal campaign committee, such as a block worker or a volunteer who hosts a fund raising event, to the committee's treasurer; and

(2) a delivery made by an individual on behalf of the individual's spouse.

Sec. 26. Minnesota Statutes 1992, section 10A.27, subdivision 2, is amended to read:

Subd. 2. No candidate shall permit the candidate's principal campaign committee to accept contributions from any political party units in aggregate in excess of five ten times the amount that may be contributed to that candidate ~~by a political committee~~ as set forth in subdivision 1.

Sec. 27. Minnesota Statutes 1992, section 10A.27, subdivision 9, is amended to read:

Subd. 9. (a) A candidate or the treasurer of a candidate's principal campaign committee shall not accept in any calendar year aggregate contributions in an amount greater than the maximum amount allowed under subdivision 4 a transfer or contribution from another candidate's principal campaign committee or from any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate, unless the contributing candidate's principal campaign committee is being dissolved. A candidate's principal campaign committee shall not make a transfer or contribution to another candidate's principal campaign committee, except when the contributing committee is being dissolved.

(b) A candidate's principal campaign committee shall not accept a transfer or contribution from, or make a transfer or contribution to, a committee associated with a person who seeks nomination or election to the office of President, Senator, or Representative in Congress of the United States.

(c) A candidate or the treasurer of a candidate's principal campaign committee shall not accept a contribution from a candidate for political subdivision office, unless the contribution is from the personal funds of the candidate for

political subdivision office. A candidate or the treasurer of a candidate's principal campaign committee shall not make a contribution from the principal campaign committee to a candidate for political subdivision office.

Sec. 28. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 10. [PROHIBITED CONTRIBUTIONS.] A candidate who accepts a public subsidy may not contribute to the candidate's own campaign more than ten times the candidate's election year contribution limit under subdivision 1.

Sec. 29. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 11. [CONTRIBUTIONS FROM CERTAIN TYPES OF CONTRIBUTORS.] A candidate shall not permit the candidate's principal campaign committee to accept a contribution from a political committee other than a political party unit as defined in section 10A.275, a political fund, a lobbyist, or an individual, other than the candidate, who contributes more than half the amount an individual may contribute, if the contribution will cause the aggregate contributions from those types of contributors to exceed an amount equal to 20 percent of the expenditure limits for the office sought by the candidate.

Sec. 30. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 12. [CONTRIBUTIONS TO OTHER POLITICAL COMMITTEES OR FUNDS.] The treasurer of a political committee or political fund, other than a candidate's principal campaign committee or a political party unit as defined in section 10A.275, shall not permit the political committee or political fund to accept aggregate contributions from an individual, political committee, or political fund in an amount more than \$100 a year.

Sec. 31. Minnesota Statutes 1992, section 10A.28, subdivision 2, is amended to read:

Subd. 2. A candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27, and the treasurer of a political fund or political committee, other than a principal campaign committee, who permits the committee or fund to accept contributions in excess of the limits imposed by section 10A.27, shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Sec. 32. Minnesota Statutes 1992, section 10A.31, subdivision 6, is amended to read:

Subd. 6. ~~Within two weeks~~ As soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary, the ~~state treasurer~~ board shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15 ~~1~~, to the candidates of that party who have signed the agreement as provided in section 10A.322 and filed the affidavit required by section 10A.323, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. If a candidate files the affidavit required by section 10A.323 after September 1 of the general election year, the board shall pay the candidate's allocation to the candidate at the next regular payment date for public subsidies for that election cycle that occurs at least 15 days after the candidate files the affidavit.

Sec. 33. Minnesota Statutes 1992, section 10A.31, subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the ~~state treasurer~~ board shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 15 ~~1~~ and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.

Sec. 34. Minnesota Statutes 1992, section 10A.31, subdivision 10, is amended to read:

Subd. 10. [DISTRIBUTION.] In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on ~~by~~ December 7 ~~1~~ the amount accumulated in each account since the previous

certification. ~~Within one week thereafter~~ By December 15, the board shall ~~certify to the state treasurer the amount to be distributed~~ distribute to each candidate according to the allocations as provided in subdivision 5. ~~As soon as practicable thereafter, the state treasurer shall distribute the amounts to which the candidates are entitled in the form of checks made "payable to the campaign fund of .....(name of candidate)....."~~ Any money accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 35. Minnesota Statutes 1992, section 10A.31, is amended by adding a subdivision to read:

Subd. 12. [UNOPPOSED CANDIDATE NOT ELIGIBLE.] A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public subsidy from the state election campaign fund. The subsidy from the party account the candidate would otherwise have been eligible to receive must be paid to the candidate's political party to be deposited in a special account under section 10A.31, subdivision 5, clause (6) and used for only those items permitted under section 10A.275.

Sec. 36. [10A.312] [PUBLIC MATCHING SUBSIDY.]

Subdivision 1. [ELIGIBILITY.] (a) In addition to the subsidy payable from the state elections campaign fund, the board shall pay a public matching subsidy to a candidate who:

- (1) is seeking an office for which voluntary spending limits are specified in section 10A.25;
- (2) has designated a principal campaign committee;
- (3) has signed and filed with the board an agreement to limit campaign expenditures as provided in section 10A.322 and is abiding by the agreement;
- (4) has received contributions that exceed the threshold established by section 10A.323;
- (5) has been nominated to appear on the ballot in the general election; and
- (6) has submitted to the board the affidavits required by section 10A.323.

(b) A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public matching subsidy under this section.

Subd. 2. [AMOUNT.] The subsidy must be paid in an amount that will match the first \$50 of contributions received from a person eligible to vote in this state, up to a total of 35 percent of the expenditure limits for state senator or representative and up to a total of 25 percent of the expenditure limits for constitutional officers set forth in section 10A.25, subdivision 2, as adjusted for inflation under section 10A.255, except as otherwise provided in this subdivision. The public subsidy under this section may not be paid in an amount that would cause the sum of the public subsidy paid under this section plus the public subsidy paid under section 10A.31 to exceed 50 percent of the expenditure limit for the office.

If a candidate's share of the state election campaign fund is equal to or greater than 50 percent of the spending limit for the office sought by the candidate, the candidate may not apply for a subsidy under this section. The board must determine the candidate's anticipated share of the state election campaign fund based on the certification by the commissioner of revenue under section 10A.321. If the subsequent certification by the commissioner of revenue under section 10A.31, subdivision 7, indicates that the candidate's share of the state election campaign fund is less than 50 percent of the spending limit for the office sought, the candidate may apply for the public match subsidy by submitting an affidavit by December 1.

Subd. 3. [PAYMENT DATES.] (a) The board shall make the first payment of the public matching subsidy as soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary. The board shall make the second payment by October 1 of the election year, the third payment by October 15 of the election year, the fourth payment by November 15 of the election year, and the final payment by December 15 of the election year.

(b) The amount necessary to make the payments required by this section is appropriated from the general fund to the board.

Sec. 37. Minnesota Statutes 1992, section 10A.315, is amended to read:

10A.315 [SPECIAL ELECTION SUBSIDY.]

(a) Each eligible candidate for a legislative office in a special election must be paid a public subsidy equal to the sum of:

(1) the party account money at the last general election for the candidate's party for the office the candidate is seeking; and

(2) the general account money paid to candidates for the same office at the last general election.

(b) If the filing period for the special election coincides with the filing period for the general election, the candidate must meet the matching requirements of section 10A.323 and the special election subsidy must be distributed in the same manner as money is distributed to legislative candidates in a general election.

(c) If the filing period for the special election does not coincide with the filing period for the general election, the procedures in this paragraph apply. A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board not later than the day after the candidate files the affidavit of candidacy or nominating petition for the office. ~~To receive a subsidy, The candidate must meet the matching requirements of section 10A.323, except that the dates in that section do not apply to a special election in which the filing period does not coincide with the filing period for the general election. To the extent feasible, The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.~~

(d) The amount necessary to make the payments required by this subdivision is appropriated from the general fund to the state treasurer.

Sec. 38. Minnesota Statutes 1992, section 10A.322, subdivision 1, is amended to read:

Subdivision 1. [AGREEMENT BY CANDIDATE.] (a) As a condition of receiving a public subsidy ~~from the state elections campaign fund~~, a candidate shall sign and file with the board a written agreement in which the candidate agrees that the candidate will comply with sections 10A.25 and 10A.324.

(b) Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The board shall also provide agreement forms to candidates on request at any time. The candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the candidate may submit the agreement directly to the board at any time before September 1 preceding the general election. An agreement may not be ~~signed or rescinded~~ filed after that date. An agreement once filed may not be rescinded.

(c) The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

(d) Notwithstanding any provisions of this section, when a vacancy occurs that will be filled by means of a special election and the filing period does not coincide with the filing period for the general election, a candidate may sign and submit a spending limit agreement at any time before the deadline for submission of a signed agreement under section 10A.315.

Sec. 39. Minnesota Statutes 1992, section 10A.322, subdivision 2, is amended to read:

Subd. 2. [HOW LONG AGREEMENT IS EFFECTIVE.] The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or ~~the day filings open for the next succeeding election to the office held or sought at the time of the agreement~~ end of the first election cycle completed after the agreement was filed, whichever occurs first.

Sec. 40. Minnesota Statutes 1992, section 10A.323, is amended to read:

10A.323 [MATCHING REQUIREMENTS.]

In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy ~~from the state elections campaign fund~~ under section 10A.31 or 10A.312 a candidate or the candidate's treasurer shall file an affidavit with

the board stating that during that calendar year the candidate has accumulated contributions, ~~including unexpended balances from the year before, equal to 20 percent or more of the minimum amount that the board estimates, on August 15 of the general election year, would be received by the candidate from the state elections campaign fund from persons eligible to vote in this state in the amount indicated for the office sought, counting only the first \$50 received from each contributor:~~

- (1) candidates for governor and lieutenant governor running together, \$35,000;
- (2) candidates for attorney general, \$15,000;
- (3) candidates for secretary of state, state treasurer, and state auditor, separately, \$6,000;
- (4) candidates for the senate, \$3,000; and
- (5) candidates for the house of representatives, \$1,500.

To be eligible to receive a public matching subsidy under section 10A.312, the affidavit must state the total amount of contributions that have been received from persons eligible to vote in this state and the total amount of those contributions received, disregarding the portion of any contribution in excess of \$50.

The candidate or the candidate's treasurer shall submit the affidavit required by this ~~subdivision~~ section to the board in writing by ~~October~~ September 1 of the general election year to receive the payment based on the results of the primary election, by September 15 to receive the payment made October 1, by October 1 to receive the payment made October 15, by November 1 to receive the payment made November 15, and by December 1 to receive the payment made December 15.

Sec. 41. Minnesota Statutes 1992, section 10A.324, subdivision 1, is amended to read:

Subdivision 1. [WHEN RETURN REQUIRED.] A candidate shall return all or a portion of the public subsidy received from the state elections campaign fund or the public matching subsidy received under section 10A.315, under the circumstances in paragraph (a), (b), this section or (e) section 10A.25, subdivision 11.

(a) To the extent that the amount of public subsidy received by the candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the candidate's principal campaign committee shall return the excess to the board.

(b) To the extent that the amount of public subsidy received exceeds the aggregate of: (1) actual expenditures made by the principal campaign committee of the candidate; and (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee shall return an amount equal to the difference to the board.

~~(c) Except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, any amount by which the aggregate contributions and approved expenditures agreed to exceed the difference between: (1) the amount which legally may be expended by or for the candidate; and (2) the amount the candidate receives from the state elections campaign fund must be returned to the state treasurer, deposited in the state treasury, and credited to the general fund.~~

Sec. 42. Minnesota Statutes 1992, section 10A.324, subdivision 3, is amended to read:

Subd. 3. [HOW RETURN DETERMINED.] Whether or not a candidate is required under subdivision 1 to return all or a portion of the public subsidy ~~received from the state elections campaign fund~~ must be determined from the report required to be filed with the board by that candidate by January 31 of the year following an election. For purposes of this section, a transfer from ~~one a~~ principal campaign committee to ~~another principal campaign committee or to a~~ political party is considered to be a noncampaign disbursement. The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned. Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board shall forward the check or money order to the state treasurer for deposit in the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate ~~from the state elections campaign fund.~~

Sec. 43. Minnesota Statutes 1992, section 10A.324, is amended by adding a subdivision to read:

Subd. 5. [RETURN OF OPPONENT'S PUBLIC SUBSIDY.] If a candidate received an opponent's public subsidy under section 10A.25, subdivision 10, the candidate shall return all or a portion of the opponent's public subsidy if required under subdivision 1. In addition, the candidate shall return all of the opponent's public subsidy to the board if the opponent is not required to file a campaign spending report under section 10A.20 or if the opponent's postelection report due on January 31 indicates that the opponent raised and spent \$1,000 or less during the campaign.

Sec. 44. Minnesota Statutes 1992, section 204B.36, subdivision 4, is amended to read:

Subd. 4. [JUDICIAL CANDIDATES.] The official ballot shall contain the names of all candidates for each judicial office and shall state the number of those candidates for whom a voter may vote. Each seat for an associate justice, associate judge, or judge of the district court must be numbered. The title of each judicial office shall be printed on the official primary and general election ballot as follows:

(a) In the case of the supreme court:

"Chief justice (or associate justice) - supreme court (last name of incumbent) seat";

"Associate justice (number) - supreme court"

(b) In the case of the court of appeals:

"Judge (number) - court of appeals (last name of incumbent) seat"; or

(c) In the case of the district court:

"Judge (number) - (number) district court (last name of incumbent) seat"; or

~~(d) In the case of the county court:~~

~~"Judge (number) county court (last name of incumbent) seat."~~

Sec. 45. [211A.12] [CONTRIBUTION LIMITS.]

A candidate may not accept aggregate contributions made or delivered by an individual or committee in excess of \$300 in an election year for the office sought and \$100 in other years; except that a candidate for an office whose territory has a population over 100,000 may not accept aggregate contributions made or delivered by an individual or committee in excess of \$500 in an election year for the office sought and \$100 in other years.

Sec. 46. [211A.13] [PROHIBITED TRANSFERS.]

A candidate for political subdivision office must not accept contributions from the principal campaign committee of a candidate as defined in section 10A.01, subdivision 5. A candidate for political subdivision office must not make contributions to a principal campaign committee, unless the contribution is made from the personal funds of the candidate for political subdivision office.

Sec. 47. Minnesota Statutes 1992, section 211B.12, is amended to read:

211B.12 [LEGAL EXPENDITURES.]

Use of funds money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, or is a noncampaign disbursement as defined in section 10A.01, subdivision 10c. The following are permitted expenditures when made for political purposes:

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;

(4) printing;

(5) office and other space and necessary equipment, furnishings, and incidental supplies;

(6) charitable contributions of not more than ~~\$100~~ \$50 to any charity annually; and

(7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.

Sec. 48. Minnesota Statutes 1992, section 211B.15, is amended to read:

211B.15 [CORPORATE ~~OR LIMITED LIABILITY~~ POLITICAL CONTRIBUTIONS.]

Subdivision 1. [DEFINITIONS.] ~~(a) For purposes of this section, the following terms have the meanings given them:~~

~~(b)~~ "corporation" means:

(1) a corporation organized for profit that does business in ~~Minnesota~~ this state;

(2) a nonprofit corporation that carries out activities in this state; or

~~(c) "limited liability company" means~~ (3) a limited liability company formed under chapter 322B, or under similar laws of another state, that does business in ~~Minnesota~~ this state.

Subd. 2. [PROHIBITED CONTRIBUTIONS.] A corporation ~~or limited liability company~~ may not make a contribution or offer or agree to make a contribution, directly or indirectly, of any money, property, free service of its officers, ~~or employees, or members,~~ or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate to a political office that is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 3. [INDEPENDENT EXPENDITURES.] A corporation ~~or limited liability company~~ may not make an independent expenditure or offer or agree to make an independent expenditure to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "independent expenditure" means an expenditure that is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 4. [BALLOT QUESTION.] A corporation ~~or limited liability company~~ may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. A corporation ~~or limited liability company~~ may not make a contribution to a candidate for nomination, election, or appointment to a political office or to a committee organized wholly or partly to promote or defeat a candidate.

Subd. 5. [NEWS MEDIA.] This section does not prohibit publication or broadcasting of news items or editorial comments by the news media.

Subd. 6. [PENALTY FOR INDIVIDUALS.] An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation ~~or limited liability company~~ acting in behalf of the corporation ~~or limited liability company~~ who violates this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Subd. 7. [PENALTY FOR CORPORATIONS ~~OR LIMITED LIABILITY COMPANIES~~.] A corporation ~~or limited liability company~~ convicted of violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation ~~or limited liability company~~ may be dissolved as well as fined. If a foreign or nonresident corporation

~~or limited liability company~~ is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Subd. 8. [PERMITTED ACTIVITY; POLITICAL PARTY.] It is not a violation of this section for a political party, as defined in section 200.02, subdivision 7, to form a nonprofit corporation for the sole purpose of holding real property to be used exclusively as the party's headquarters.

Subd. 9. [MEDIA PROJECTS.] It is not a violation of this section for a corporation ~~or limited liability company~~ to contribute to or conduct public media projects to encourage individuals to attend precinct caucuses, register, or vote if the projects are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 10. [MEETING FACILITIES.] It is not a violation of this section for a corporation ~~or limited liability company~~ to provide meeting facilities to a committee, political party, or candidate on a nondiscriminatory and nonpreferential basis.

Subd. 11. [MESSAGES ON PREMISES.] It is not a violation of this section for a corporation ~~or limited liability company~~ selling products or services to the public to post on its public premises messages that promote participation in precinct caucuses, voter registration, or elections if the messages are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 12. [REPORTS REQUIRED.] The total amount of an expenditure or contribution for any one project permitted by subdivisions 9 and 11 that is more than \$200, together with the date, purpose, and the names and addresses of the persons receiving the contribution or expenditures, must be reported to the secretary of state. The reports must be filed on forms provided by the secretary of state on the dates required for committees under section 211A.02. Failure to file is a misdemeanor.

Subd. 13. [AIDING VIOLATION; PENALTY.] An individual who aids, abets, or advises a violation of this section is guilty of a gross misdemeanor.

Subd. 14. [PROSECUTIONS; VENUE.] Violations of this section may be prosecuted in the county where the payment or contribution was made, where services were rendered, or where money was paid or distributed.

Subd. 15. [NONPROFIT CORPORATION EXEMPTION.] The prohibitions in this section do not apply to a nonprofit corporation that:

- (1) cannot engage in business activities;
- (2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and
- (3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.

Subd. 16. [EMPLOYEE POLITICAL FUND SOLICITATION.] Any solicitation of political contributions by an employee must be in writing, informational and nonpartisan in nature, and not promotional for any particular candidate or group of candidates. The solicitation must consist only of a general request on behalf of an independent political committee (conduit fund) and must state that there is no minimum contribution, that a contribution or lack thereof will in no way impact the employee's employment, that the employee must direct the contribution to candidates of the employee's choice, and that any response by the employee shall remain confidential and shall not be directed to the employee's supervisors or managers. Questions from an employee regarding a solicitation may be answered orally or in writing consistent with the above requirements. Nothing in this subdivision authorizes a corporate donation of an employee's time prohibited under subdivision 2.

Sec. 49. Minnesota Statutes 1992, section 290.06, subdivision 23, is amended to read:

Subd. 23. [REFUND OF CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] (a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to any political party. The maximum refund for an individual must not exceed \$50 and, for a married couple filing jointly, must not exceed \$100. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the party chair, after the

contribution was received. The receipt forms must be numbered, and the data on the receipt that are not public must be made available to the ethical practices board upon its request. A claim must be filed with the commissioner not sooner than January 1 of the calendar year in which the contribution is made and no later than April 15 of the calendar year following the calendar year in which the contribution is made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution is made must include interest at the rate specified in section 270.76.

(b) No refund is allowed under this subdivision for a contribution to any candidate unless the candidate:

(1) has signed an agreement to limit campaign expenditures as provided in section 10A.322 or 10A.43;

(2) is seeking an office for which voluntary spending limits are specified in section 10A.25 or 10A.43; and

(3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditure of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major or minor party" includes the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

"Candidate" means a congressional candidate as defined in section 10A.41, subdivision 4, or a candidate as defined in section 10A.01, subdivision 5, except a candidate for judicial office.

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

(f) The commissioner shall report to the ethical practices board by August 1 of each year a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.

~~(f)~~ (g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

Sec. 50. [REPEALER.]

Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2, are repealed.

Sec. 51. [TRANSITION.]

Subdivision 1. [ELECTION CYCLE.] Notwithstanding section 1, the first election cycle begins the day following final enactment of this act and concludes on December 31 following the next general election for the respective offices listed in Minnesota Statutes, section 10A.27, subdivision 1, clauses (a) to (e).

Subd. 2. [CONTRIBUTION LIMITS.] Contributions to a candidate that were made before the effective date of this act and were lawful when made need not be refunded, even though they exceed the new limit on contributions in section 10A.27, subdivision 1.

Subd. 3. [EXPENDITURE LIMITS.] All spending limit agreements filed with the ethical practices board before the effective date of this act become void September 1, 1993, and all eligibility for continued public subsidies under Minnesota Statutes, chapter 10A or 290, is ended on that date. The new expenditure limits and eligibility for a public subsidy under this act apply to candidates who sign and file with the ethical practices board a new spending limit agreement under this act after its effective date.

Subd. 4. [INFLATION FREEZE.] The expenditure limits in Minnesota Statutes 1992, section 10A.25, subdivision 2, must not be adjusted for inflation for the 1994 election year. The inflation adjustment under Minnesota Statutes 1992, section 10A.255, must resume for the 1996 election year, but omitting any inflation attributable to the period between December 1991 and December 1993.

Sec. 52. [EFFECTIVE DATE.]

This act is effective the day following final enactment, except that section 19 is effective December 31, 1993, section 27 is effective June 1, 1993, and sections 45 and 46 are effective January 1, 1994."

Delete the title and insert:

"A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting certain contributions; changing the judicial ballot; regulating related committees; changing expenditure limits; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public matching subsidy; clarifying filing requirements for candidate agreements and the duration of the agreements; providing for distribution of public subsidies; requiring return of public subsidies under certain conditions; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring certain reports; providing transition language; defining certain terms; clarifying certain language; imposing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10b, 10c, and by adding subdivisions; 10A.04, by adding a subdivision; 10A.065, subdivisions 1 and 5; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.16; 10A.17, subdivisions 4 and 5; 10A.19, subdivision 1; 10A.20, subdivisions 2, 3, and by adding subdivisions; 10A.24, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.28, subdivision 2; 10A.31, subdivisions 6, 7, 10, and by adding a subdivision; 10A.315; 10A.322, subdivisions 1 and 2; 10A.323; 10A.324, subdivisions 1, 3, and by adding a subdivision; 204B.36, subdivision 4; 211B.12; 211B.15; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; and 211A; repealing Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2."

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

House Conferees: WALLY SPARBY, HAROLD LASLEY, DON OSTROM AND DEE LONG.

Senate Conferees: JOHN MARTY, WILLIAM P. LUTHER, KEVIN M. CHANDLER AND EMBER D. REICHGOTT.

Sparby moved that the report of the Conference Committee on H. F. No. 163 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 163, A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district

contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

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 87 yeas and 46 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Abrams	Dempsey	Haukoos	Lindner	Onnen	Sviggum	Weaver
Bettermann	Erhardt	Hugoson	Lynch	Osthoff	Swenson	Wolf
Bishop	Frerichs	Knickerbocker	Macklin	Pauly	Tompkins	Worke
Blatz	Girard	Koppendraye	Molnau	Rhodes	Tunheim	Workman
Commers	Goodno	Krinkie	Morrison	Rukavina	Van Dellen	
Davids	Gruenes	Leppik	Ness	Seagren	Vickerman	
Dehler	Gutknecht	Limmer	Olson, M.	Smith	Waltman	

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

Welle was excused for the remainder of today's session.

## SPECIAL ORDERS

S. F. No. 1413 was reported to the House.

Farrell moved to amend S. F. No. 1413, as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1992, section 79.255, is amended by adding a subdivision to read:

Subd. 9. [EXEMPTION.] A corporation, partnership, sole proprietorship, or other business entity that provides personnel supply arrangements or agreements for the purpose of temporarily supporting or supplementing a client's

work force in work situations, such as employee absences, temporary skill shortages, seasonal workloads, and specific functions and projects, may be exempt from the registration requirements of this section, provided that the arrangements or agreements do not involve the lease-back of the client's employees.

To qualify for an exemption, an applicant must obtain a certificate of exemption from registration from the commissioner. A certificate of exemption shall be issued upon the applicant's filing of a letter with the commissioner stating that the applicant meets all of the requirements for obtaining an exemption. If a corporation, partnership, sole proprietorship, or other business entity operating under the exemption subsequently fails to meet the requirements for the exemption, the corporation, partnership, sole proprietorship, or other business entity must immediately surrender the exemption certificate and register with the commissioner."

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

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Goodno and Farrell moved to amend S. F. No. 1413, as amended, as follows:

Page 1, line 14, delete "the rating association or"

The motion prevailed and the amendment was adopted.

Blatz and Farrell moved to amend S. F. No. 1413, as amended, as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1992, section 176.091, is amended to read:

176.091 [MINOR EMPLOYEES.]

Except as provided in section 176.092, a minor employee has the same power to enter into a contract, make election of remedy, make any settlement, and receive compensation as an adult employee, ~~subject to the power of the commissioner of the department of labor and industry, compensation judge, or workers' compensation court of appeals to require the appointment of a guardian for the minor employee to make such settlement and to receive moneys thereunder or under an award.~~

Sec. 3. [176.092] [GUARDIAN; CONSERVATOR.]

Subdivision 1. [WHEN REQUIRED.] An injured employee or a dependent under section 176.111 who is a minor or an incapacitated person as that term is defined in section 525.54, subdivision 2 or 3, shall have a guardian or conservator to represent the interests of the employee or dependent in obtaining compensation according to the provisions of this chapter. This section applies if the employee receives or is eligible for permanent total disability benefits, supplementary benefits, or permanent partial disability benefits or a dependent receives or is eligible for dependency benefits, or if the employee or dependent receives or is offered a lump sum that exceeds five times the statewide average weekly wage.

Subd. 2. [APPOINTMENT.] If an injured employee or dependent under section 176.111 does not have a guardian or conservator and the attorney representing the employee or dependent knows or has reason to believe the employee or dependent is a minor or an incapacitated person, the attorney shall, within 30 days, seek a probate court order appointing a guardian or conservator. If the employer, insurer, or special compensation fund in a matter involving

a claim against the fund knows or has reason to believe the employee or dependent is a minor or is incapacitated, the employer, insurer, or special compensation fund shall notify the attorney representing the employee or dependent. If the employee or dependent has no attorney or the attorney fails to seek appointment of a guardian or conservator within 30 days of being notified under this subdivision, the employer or insurer shall seek the appointment in probate court and the special compensation fund shall notify the commissioner or a compensation judge for referral of the matter under subdivision 3. In the case of a minor who is not represented by an attorney, the commissioner shall refer the matter under subdivision 3.

Subd. 3. [REFERRAL.] When, in a proceeding before them, it appears to the commissioner, compensation judge, or, in cases upon appeal, the workers' compensation court of appeals, that an injured employee or a dependent is a minor or an incapacitated person without a guardian or conservator, the commissioner, compensation judge, or court of appeals shall refer the matter to probate court. The commissioner has no duty to monitor files at the department but must review a file for referral upon receiving a complaint that an injured employee or dependent is a minor or an incapacitated person without a guardian or conservator.

Subd. 4. [GUARDIAN, CONSERVATOR; POWERS, DUTIES.] A guardian or conservator of an injured employee or dependent shall have the powers and duties granted by the probate court including, but not limited to:

(1) representing the interests of the employee or dependent in obtaining compensation according to the provisions of this chapter;

(2) receiving monetary compensation benefits, including the amount of any award, settlement, or judgment; and

(3) acting as a fiduciary in distributing, managing, and investing monetary workers' compensation benefits.

Sec. 4. Minnesota Statutes 1992, section 176.111, subdivision 5, is amended to read:

Subd. 5. [PAYMENTS, TO WHOM MADE.] In death cases compensation payable to dependents is computed on the following basis and shall be paid to the persons entitled thereto or to a guardian or ~~such other person as the commissioner of the department of labor and industry, compensation judge, or workers' compensation court of appeals in cases upon appeal directs for the use and benefit of the person entitled thereto~~ conservator as required under section 176.092."

Page 1, line 20, delete "2" and insert "5"

Page 2, after line 17, insert:

"Sec. 6. Minnesota Statutes 1992, section 176.521, subdivision 1, is amended to read:

Subdivision 1. [VALIDITY.] An agreement between an employee or an employee's dependent and the employer or insurer to settle any claim, which is not upon appeal before the court of appeals, for compensation under this chapter is valid where it has been executed in writing and signed by the parties and intervenors in the matter, and, where one or more of the parties is not represented by an attorney, the commissioner or a compensation judge has approved the settlement and made an award thereon. If the matter is upon appeal before the court of appeals or district court, the court of appeals or district court is the approving body. An agreement to settle any claim is not valid if a guardian or conservator is required under section 176.092 and an employee or dependent has no guardian or conservator.

Sec. 7. Minnesota Statutes 1992, section 176.521, subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Settlements shall be approved only if the terms conform with this chapter.

The commissioner, a compensation judge, the court of appeals, and the district court shall exercise discretion in approving or disapproving a proposed settlement.

The parties to the agreement of settlement have the burden of proving that the settlement is reasonable, fair, and in conformity with this chapter. A settlement agreement where both the employee or the employee's dependent and the employer or insurer are represented by an attorney shall be conclusively presumed to be reasonable, fair, and in conformity with this chapter except when the settlement purports to be a full, final, and complete settlement of an

employee's right to medical compensation under this chapter or rehabilitation under section 176.102. A settlement which purports to do so must be approved by the commissioner, a compensation judge, or court of appeals.

The conclusive presumption in this subdivision is not available in cases involving an employee or dependent with a guardian or conservator.

The conclusive presumption in this subdivision applies to a settlement agreement entered into on or after January 15, 1982, whether the injury to which the settlement applies occurred prior to or on or after January 15, 1982.

Sec. 8. [525.6199] [GUARDIANSHIP, CONSERVATORSHIP; WORKERS' COMPENSATION PROCEEDINGS.]

Subdivision 1. [REFERRAL.] When a matter is referred under section 176.092, subdivision 3, the court shall determine whether the employee or dependent is a minor or an incapacitated person, shall appoint a guardian or conservator if the employee or dependent is a minor or an incapacitated person, and shall return the matter to the source of referral.

Subd. 2. [COURT OVERSIGHT.] The court shall oversee the use of monetary benefits paid to a guardian or conservator as provided in this chapter or under rule 145 of the general rules of practice for the district courts. There is a rebuttable presumption that a settlement or award approved by the commissioner of the department of labor and industry or a compensation judge is reasonable and fair to the employee or dependent.

Subd. 3. [COSTS.] Subject to the approval of the court, the insurer or self-insured employer shall pay the costs and a reasonable attorney fee of the employee or dependent associated with the appointment of a guardian or conservator required under section 176.092."

Page 2, line 21, after the period, insert "Sections 2 to 4 and 6 to 8 are effective August 1, 1993, and apply to all monetary benefits paid on or after that date, without regard to the date of injury."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Rodosovich to the Chair.

S. F. No. 1413, A bill for an act relating to workers' compensation; excluding certain wages in determining insurance premiums; modifying provisions relating to charges by certain nursing homes; amending Minnesota Statutes 1992, sections 79.211, subdivision 1; and 176.136, subdivision 1b.

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	Beard	Brown, C.	Cooper	Dempsey	Garcia	Gutknecht
Anderson, I.	Bergson	Brown, K.	Dauner	Dorn	Girard	Hasskamp
Anderson, R.	Bertram	Carlson	Dauids	Erhardt	Goodno	Haukoos
Asch	Bettermann	Carruthers	Dawkins	Evans	Greenfield	Hausman
Battaglia	Bishop	Clark	Dehler	Farrell	Greiling	Holsten
Bauerly	Blatz	Commers	Delmont	Frerichs	Gruenes	Hugoson

Huntley	Klinzing	Macklin	Ness	Pelowski	Solberg	Wagenius
Jacobs	Knickerbocker	Mahon	Olson, E.	Perlt	Sparby	Waltman
Jaros	Koppendrayner	Mariani	Olson, K.	Peterson	Stanius	Weaver
Jefferson	Krinkie	McCollum	Olson, M.	Pugh	Steensma	Wejcman
Jennings	Krueger	McGuire	Onnen	Reding	Sviggum	Wenzel
Johnson, A.	Lasley	Milbert	Opatz	Rest	Swenson	Winter
Johnson, R.	Leppik	Molnau	Orenstein	Rhodes	Tomassoni	Wolf
Johnson, V.	Lieder	Morrison	Orfield	Rodosovich	Tompkins	Worke
Kahn	Limmer	Mosel	Osthoff	Rukavina	Trimble	Workman
Kalis	Lindner	Munger	Ostrom	Seagren	Tunheim	Spk. Long
Kelley	Lourey	Murphy	Ozment	Sekhon	Van Dellen	
Kelso	Luther	Neary	Pauly	Skoglund	Vellenga	
Kinkel	Lynch	Nelson	Pawlenty	Smith	Vickerman	

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

Dawkins and Mariani were excused for the remainder of today's session.

S. F. No. 697 was reported to the House.

Krinkie moved to amend S. F. No. 697, as follows:

Page 3, delete section 3

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

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

Stanius moved to amend S. F. No. 697, as follows:

Page 3, line 25, delete ", by"

Page 3, line 26, delete "January 1, 1994,"

A roll call was requested and properly seconded.

The question was taken on the Stanius amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jennings	Lindner	Olson, K.	Seagren	Weaver
Bettermann	Frerichs	Johnson, V.	Macklin	Olson, M.	Smith	Wejcman
Bishop	Girard	Kalis	McCollum	Onnen	Stanius	Wolf
Commers	Goodno	Kelso	Milbert	Osthoff	Sviggum	Worke
Davids	Gruenes	Knickerbocker	Molnau	Ozment	Swenson	Workman
Dehler	Gutknecht	Koppendrayner	Morrison	Pawlenty	Tompkins	
Delmont	Haukoos	Krinkie	Murphy	Perlt	Van Dellen	
Dempsey	Holsten	Leppik	Ness	Pugh	Vickerman	
Dorn	Hugoson	Limmer	Olson, E.	Rhodes	Waltman	

Those who voted in the negative were:

Anderson, I.	Carlson	Hasskamp	Kinkel	Mosel	Peterson	Sparby
Anderson, R.	Carruthers	Hausman	Klinzing	Munger	Reding	Steensma
Asch	Clark	Huntley	Krueger	Neary	Rest	Tomassoni
Battaglia	Cooper	Jacobs	Lasley	Nelson	Rice	Trimble
Bauerly	Dauner	Jaros	Lieder	Opatz	Rodosovich	Tunheim
Beard	Evans	Jefferson	Lourey	Orenstein	Rukavina	Wagenius
Bergson	Farrell	Johnson, A.	Luther	Orfield	Sarna	Wenzel
Bertram	Garcia	Johnson, R.	Lynch	Ostrom	Sekhon	Winter
Blatz	Greenfield	Kahn	Mahon	Pauly	Skoglund	Spk. Long
Brown, K.	Greiling	Kelley	McGuire	Pelowski	Solberg	

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

The Speaker resumed the Chair.

Solberg moved to amend S. F. No. 697, as follows:

Page 15, line 21, delete "and drought"

The motion prevailed and the amendment was adopted.

S. F. No. 697, A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivision 7, and by adding subdivisions; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 89 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Hasskamp	Klinzing	Munger	Reding	Trimble
Anderson, I.	Clark	Hausman	Krueger	Murphy	Rest	Tunheim
Anderson, R.	Cooper	Huntley	Lasley	Neary	Rhodes	Van Dellen
Asch	Dauner	Jacobs	Leppik	Olson, K.	Rice	Vellenga
Battaglia	Dehler	Jaros	Lieder	Opatz	Rodosovich	Wagenius
Bauerly	Dorn	Jefferson	Lourey	Orenstein	Rukavina	Weaver
Beard	Evans	Johnson, A.	Luther	Orfield	Sarna	Wejzman
Bergson	Farrell	Johnson, R.	Lynch	Osthoff	Seagren	Wenzel
Bertram	Garcia	Kahn	Macklin	Ostrom	Sekhon	Winter
Bishop	Goodno	Kalis	Mahon	Pawlenty	Skoglund	Worke
Blatz	Greenfield	Kelley	McCollum	Pelowski	Solberg	Spk. Long
Brown, K.	Greiling	Kelso	McGuire	Peterson	Swenson	
Carlson	Gruenes	Kinkel	Mosel	Pugh	Tomassoni	

Those who voted in the negative were:

Bettermann	Dauids	Erhardt	Gutknecht	Hugoson	Koppendrayner	Lindner
Brown, C.	Delmont	Frerichs	Haukoos	Jennings	Krinkle	Milbert
Commers	Dempsey	Girard	Holsten	Johnson, V.	Limmer	Molnau

Morrison	Olson, E.	Ozment	Stanius	Tompkins	Wolf
Nelson	Olson, M.	Perlt	Steensma	Vickerman	Workman
Ness	Onnen	Smith	Sviggum	Waltman	

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

S. F. No. 1032, A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

The bill was passed and its title agreed to.

S. F. No. 283, A bill for an act relating to state lands; authorizing the conveyance of state land in St. Louis 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 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 96, A bill for an act relating to the environment; wastewater treatment; clarifying rulemaking provisions for pollution control agency adoption of wastewater treatment standards; changing the composition of the technical advisory committee; changing the definition of individual on-site treatment system; amending Minnesota Statutes 1992, sections 115.44, subdivisions 4, 6, and 7; 115.54; and 116.18, subdivision 3c.

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

The bill was passed and its title agreed to.

S. F. No. 413 was reported to the House.

Hugoson moved to amend S. F. No. 413, as follows:

Page 6, after line 19, insert:

"Sec. 3. [BIGFOOT PROPERTIES; SALE OF TAX-FORFEITED LAND.]

Subdivision 1. Notwithstanding any limitation upon the right of redemption or sale of tax-forfeited lands, St. Louis county may convey to Bigfoot Properties, c/o Roger Mathwig, P.O. Box 95, Truman, MN 56088, those tracts of

tax-forfeited land located in St. Louis county and described as:

the west half of the southwest quarter (W1/2SW1/4), and the northeast quarter of the southwest quarter (NE1/4SW1/4) of section 23; and the southeast quarter of the southeast quarter (SE1/4SE1/4) of section 22; all in Township 51 North of Range 21 West.

Subd. 2. Bigfoot Properties is the former owner of the described properties, which forfeited to the county due to inadvertent failure of the organization to make payment of taxes. The properties do not border on public waters.

Subd. 3. Conveyance shall be in a form approved by the attorney general and shall be made only after receipt by the county of the total amount of taxes due, plus interest and any penalty owing."

Page 7, line 18, delete "3" and insert "4"

Renummer the sections in sequence

Amend the title as follows:

Page 1, line 3, after "water" insert "and certain other tax-forfeited lands"

The motion prevailed and the amendment was adopted.

S. F. No. 413, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county; authorizing the conveyance of certain Willmar regional treatment center land to Kandiyohi county.

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 122 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bergson	Frerichs	Hasskamp	Munger	Nelson	Osthoff
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The bill was passed, as amended, and its title agreed to.

S. F. No. 1074 was reported to the House.

Anderson, R., moved to amend S. F. No. 1074, as follows:

Page 11, after line 24, insert:

"Sec. 18. [SHORELAND SALES.]

Notwithstanding any other law to the contrary, landowners in Otter Tail county affected by shoreland standards and criteria adopted under Minnesota Statutes, sections 103F.201 to 103F.221, or rules adopted under those sections, may sell, subdivide, or transfer their land without complying with Minnesota Rules, part 6120.3300, subpart 2, items A to E, and subparts 2a and 2b. This section is effective the day following final enactment and is repealed effective July 1, 1994."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Winter, Hasskamp and Leppik moved to amend S. F. No. 1074, as amended, as follows:

Page 6, line 23, reinstate "~~appraisal shall be~~"

Page 6, line 24, reinstate "~~made by~~"

Page 6, line 26, after "~~situated~~" insert "a qualified appraiser residing in the county or nearby region" and reinstate "~~Each~~"

A roll call was requested and properly seconded.

Leppik moved to amend the Winter et al amendment to S. F. No. 1074, as amended, as follows:

Page 1, line 5 of the Winter et al amendment, after "the" insert "same" and after "or" delete "nearby region" and insert "adjacent county"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Winter et al amendment, as amended, and the roll was called. There were 30 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Hasskamp	Johnson, R.	Mosel	Rhodes	Tompkins
Brown, K.	Holsten	Kalis	Nelson	Rukavina	Vickerman
Cooper	Hugoson	Koppendraye	Olson, E.	Solberg	Waltman
Dauner	Jacobs	Leppik	Olson, K.	Steensma	Wenzel
Girard	Jaros	Limmer	Peterson	Tomassoni	Winter

Those who voted in the negative were:

Abrams	Commers	Gruenes	Krinkie	Munger	Perlt	Tunheim
Anderson, R.	Davids	Gutknecht	Krueger	Murphy	Reding	Van Dellen
Asch	Dehler	Haukoos	Lasley	Ness	Rest	Vellenga
Battaglia	Delmont	Hausman	Lieder	Olson, M.	Rice	Wagenius
Bauerly	Dempsey	Huntley	Lindner	Ornen	Rodosovich	Weaver
Beard	Dorn	Jefferson	Lourey	Opatz	Sarna	Wejcman
Bergson	Erhardt	Jennings	Luther	Orenstein	Seagren	Wolf
Bertram	Evans	Johnson, A.	Lynch	Orfield	Sekhon	Worke
Bettermann	Farrell	Johnson, V.	Mahon	Osthoff	Skoglund	Workman
Blatz	Frerichs	Kahn	McCollum	Ostrom	Smith	Spk. Long
Brown, C.	Garcia	Kelley	McGuire	Ozment	Starius	
Carlson	Goodno	Kelso	Milbert	Pauly	Sviggum	
Carruthers	Greenfield	Klinzing	Molnau	Pawlenty	Swenson	
Clark	Greiling	Knickrbocker	Morrison	Pelowski	Trimble	

The motion did not prevail and the amendment, as amended, was not adopted.

Neary, Farrell and Holsten moved to amend S. F. No. 1074, as amended, as follows:

Page 11, line 15, after "commissioner" insert "to first mitigate contamination on state lands adjacent to the parcel that was sold, and then"

The motion prevailed and the amendment was adopted.

Trimble moved to amend S. F. No. 1074, as amended, as follows:

Page 11, after line 24, insert:

"Sec. 18. [REPORT.]

The department of natural resources shall track the financial effects of changes occurring in department policy on the private forest management assistance program. It shall review any regional differences, and the cost and types of services provided by both the division of forestry and private timber appraisers. It shall provide reports back by February 15, 1994, and February 15, 1995, to the house and senate finance committees on environment and natural resources."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Trimble moved to amend S. F. No. 1074, as amended, as follows:

Page 2, after line 25, insert:

"Sec. 3. Minnesota Statutes 1992, 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 103F.515;
- (3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;
- (4) enhancement or restoration 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 for other forest wildlife management projects; and
- (11) necessary support services to carry out these purposes."

Page 11, after line 24, insert:

"Sec. 17. [NATIVE PLANTINGS ON PUBLIC LANDS; REPORT.]

The commissioner of the department of natural resources, in consultation with the commissioners of the departments of transportation and agriculture, the metropolitan council, and other interested persons, shall investigate the extent to which all state agencies and local units of government may be encouraged to plant on public lands trees, shrubs, and other plantings that are native to the habitat involved. The commissioner shall, in cooperation with Minnesota department of transportation, propose a plan to increase the amount of trees, shrubs and native plantings planted along the right-of-way of state trunk highways. The commissioner shall also submit a report of findings made under this section to the environment and natural resources committees of the legislature by February 15, 1994."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Rukavina moved to amend S. F. No. 1074, as amended, as follows:

Page 4, after line 33, insert:

"(e) Paragraphs (b), (c), and (d) do not apply to the 1993 sale of permanent school lands. These 1993 sales must be conducted using the interest rate formula in effect in 1992."

A roll call was requested and properly seconded.

The question was taken on the Rukavina amendment and the roll was called. There were 89 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Abrams	Commers	Hasskamp	Koppendrayer	Molnau	Perlt	Sviggum
Anderson, I.	Dauner	Holsten	Krueger	Morrison	Peterson	Swenson
Anderson, R.	Davids	Hugoson	Leppik	Mosel	Pugh	Tomassoni
Battaglia	Dehler	Huntley	Lieder	Murphy	Reding	Tompkins
Beard	Delmont	Jaros	Limmer	Neary	Rice	Van Dellen
Bergson	Dempsey	Jefferson	Lindner	Nelson	Rodosovich	Vickerman
Bertram	Dorn	Jennings	Lourey	Ness	Rukavina	Waltman
Bettermann	Erhardt	Johnson, A.	Luther	Olson, E.	Sarna	Wenzel
Bishop	Evans	Johnson, R.	Lynch	Olson, K.	Seagren	Winter
Blatz	Farrell	Kalis	Macklin	Opatz	Smith	Worke
Brown, C.	Girard	Kinkel	Mahon	Osthoff	Solberg	Spk. Long
Brown, K.	Goodno	Klinzing	McCollum	Ozment	Stanius	
Carruthers	Gutknecht	Krickerbocker	Milbert	Pauly	Steenma	

Those who voted in the negative were:

Asch	Garcia	Jacobs	Lasley	Orfield	Sekhon	Wejcman
Bauerly	Greenfield	Johnson, V.	McGuire	Ostrom	Skoglund	Wolf
Carlson	Greiling	Kahn	Munger	Pawlenty	Trimble	Workman
Clark	Gruenes	Kelley	Olson, M.	Pelowski	Vellenga	
Cooper	Haukoos	Kelso	Onnen	Rest	Wagenius	
Frerichs	Hausman	Krinkie	Orenstein	Rhodes	Weaver	

The motion prevailed and the amendment was adopted.

S. F. No. 1074, A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; deletion of land from Moose Lake state recreation area; private use of state trails; appropriating money; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 85.015, by adding a subdivision; 86A.05, subdivision 14; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; 94.343, subdivision 3; 94.348, subdivision 2; and 97A.135, subdivision 2, and by adding a subdivision.

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

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

Those who voted in the affirmative were:

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

Tomassoni	Van Dellen	Wagenius	Wejzman	Wolf	Spk. Long
Tompkins	Vellenga	Waltman	Wenzel	Worke	
Trimble	Vickerman	Weaver	Winter	Workman	

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

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce 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. 1039, A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

PATRICK E. FLAHAVER, Secretary of the Senate

Garcia moved that the House refuse to concur in the Senate amendments to H. F. No. 1039, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 1114, A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; advance of matching funds; financing waterfowl development; defining "undressed bird"; regulating the taking of deer; regulating seasons on muskrat, mink, otter, and beaver; required license to take and condition of fish brought into the state from Canada; authorizing suspension of requirements upon action by Canadian authorities; amending Minnesota Statutes 1992, sections 84.085, by adding a subdivision; 97A.015, subdivision 49, and by adding a subdivision; 97A.045, subdivision 7; 97A.091, subdivision 2; 97A.531; 97B.005, subdivisions 2 and 3; 97B.041; 97B.071; 97B.621, subdivision 1; 97B.911; 97B.915; 97B.921; 97B.925; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

PATRICK E. FLAHAVER, Secretary of the Senate

Milbert moved that the House refuse to concur in the Senate amendments to H. F. No. 1114, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 574, A bill for an act relating to retirement; administrative changes, age discrimination act compliance, death-while-active surviving spouse benefit improvements by the Minnesota state retirement system, the public employees retirement association, and teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, and 7; 352.115, subdivision 8; 352.12, subdivisions 1, 2, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01, subdivisions 3 and 11; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1, 2, and 5; 352B.101; 352B.105; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding subdivisions; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.32, subdivision 1a; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1 and 5a; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivisions 1 and 2; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352D.05, subdivision 5; and 353.656, subdivision 6.

PATRICK E. FLAHAVER, Secretary of the Senate

Johnson, R., moved that the House refuse to concur in the Senate amendments to H. F. No. 574, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

H. F. No. 931, A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

PATRICK E. FLAHAVER, Secretary of the Senate

Peterson moved that the House refuse to concur in the Senate amendments to H. F. No. 931, 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.

### SPECIAL ORDERS

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

### GENERAL ORDERS

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

**MOTIONS AND RESOLUTIONS**

Milbert moved that the name of Peterson be added as an author on H. F. No. 1025. The motion prevailed.

Bergson moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Monday, May 3, 1993, when the vote was taken on the final passage of H. F. No. 571, as amended." The motion prevailed.

Clark moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Thursday, May 6, 1993, when the vote was taken on the final passage of S. F. No. 384, as amended." The motion prevailed.

Pelowski moved that H. F. No. 1234 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. 931:

Peterson, Long and Rest.

**ADJOURNMENT**

Anderson, I., moved that when the House adjourns today it adjourn until 10:30 a.m., Monday, May 10, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Monday, May 10, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 10, 1993

The House of Representatives convened at 10:30 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Senator Pat Piper, District 27, Austin, 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	Dauner	Haukoos	Koppendraye	Mosel	Rest	Trimble
Anderson, I.	Dauids	Hausman	Krinkie	Murphy	Rhodes	Tunheim
Anderson, R.	Dawkins	Holsten	Krueger	Nelson	Rice	Van Dellen
Asch	Dehler	Hugoson	Lasley	Ness	Rodosovich	Vellenga
Battaglia	Delmont	Huntley	Leppik	Olson, E.	Rukavina	Vickerman
Bauerly	Dempsey	Jacobs	Lieder	Olson, M.	Sarna	Wagenius
Beard	Dorn	Jaros	Limmer	Onnen	Seagren	Waltman
Bergson	Erhardt	Jefferson	Lindner	Opatz	Sekhon	Weaver
Bertram	Evans	Jennings	Lourey	Orenstein	Simoneau	Wejzman
Bettermann	Farrell	Johnson, A.	Luther	Orfield	Skoglund	Welle
Bishop	Frerichs	Johnson, R.	Lynch	Ostrom	Smith	Wenzel
Blatz	Garcia	Johnson, V.	Macklin	Ozment	Solberg	Winter
Brown, C.	Girard	Kahn	Mahon	Pauly	Sparby	Wolf
Brown, K.	Goodno	Kalis	Mariani	Pawlenty	Stanis	Worke
Carlson	Greenfield	Kelley	McCollum	Pelowski	Steensma	Workman
Carruthers	Greiling	Kelso	McGuire	Perlt	Sviggum	Spk. Long
Clark	Gruenes	Kinkel	Milbert	Peterson	Swenson	
Commers	Gutknecht	Klinzing	Molnau	Pugh	Tomassoni	
Cooper	Hasskamp	Knickerbocker	Morrison	Reding	Tompkins	

A quorum was present.

Neary was excused.

Osthoff was excused until 11:10 a.m. Olson, K., was excused until 11:35 a.m. Munger was excused until 12:45 p.m.

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

REPORTS OF CHIEF CLERK

S. F. No. 162 and H. F. No. 147, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 162 be substituted for H. F. No. 147 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 502 and H. F. No. 726, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Orfield moved that the rules be so far suspended that S. F. No. 502 be substituted for H. F. No. 726 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 760 and H. F. No. 859, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Wolf moved that the rules be so far suspended that S. F. No. 760 be substituted for H. F. No. 859 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1101 and H. F. No. 1317, 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. 1101 be substituted for H. F. No. 1317 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1418 and H. F. No. 1661, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 1418 be substituted for H. F. No. 1661 and that the House File be indefinitely postponed. The motion prevailed.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 162, 502, 760, 1101 and 1418 were read for the second time.

**MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Madam Speaker:

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

H. F. No. 735, A bill for an act relating to highway traffic regulations; implements of husbandry; defining implements of husbandry; exempting trailers that carry dry fertilizer from vehicle registration tax; reducing the

maximum speed limit for implements of husbandry to 25 miles per hour; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 168.012, subdivision 2b; 169.01, subdivision 55; 169.145; 169.18, subdivision 5; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.781, subdivision 3; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; and 171.13, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Johnson, V., moved that the House concur in the Senate amendments to H. F. No. 735 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 735, A bill for an act relating to highway traffic regulations; implements of husbandry; defining implements of husbandry; exempting trailers that carry dry fertilizer from vehicle registration tax; reducing the maximum speed limit for implements of husbandry to 25 miles per hour; clarifying the use of slow-moving vehicle emblem for implements of husbandry; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 168.012, subdivision 2b; 169.01, subdivision 55; 169.145; 169.18, subdivision 5; 169.47; 169.522, subdivision 1; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.781, subdivision 3; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; and 171.13, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

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

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

Those who voted in the affirmative were:

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

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

## SPECIAL ORDERS

S. F. No. 937 was reported to the House.

Mahon moved to amend S. F. No. 937, as follows:

Page 2, line 9, delete "1" and insert "31"

The motion prevailed and the amendment was adopted.

Rukavina moved to amend S. F. No. 937, as amended, as follows:

Page 23, after line 27, insert:

### "ARTICLE 3

#### Section 1. [OMITTED SERVICE CREDIT.]

Subdivision 1. [ELIGIBILITY.] Notwithstanding Minnesota Statutes, section 353.27, subdivision 12, an employee of independent school district No. 697 (Eveleth) who first became a public employees retirement association covered employee with the district in November 1983, but for whom no retirement deductions were made in December 1983, shall receive service credit in the public employees retirement association coordinated plan for the omitted period upon payment of the amounts specified in this section.

Subd. 2. [PURCHASE PAYMENT AMOUNT.] (a) To purchase credit for prior eligible service under subdivision 1, there must be paid to the public employees retirement association an amount equal to the present value on the date of payment, of the amount of the additional retirement annuity obtained by purchase of the additional service credit.

(b) Calculation of this amount must be made by the executive director of the public employees retirement association using the applicable preretirement interest rate specified in Minnesota Statutes, section 356.215, subdivision 4d, and the mortality table adopted for the coordinated program of the retirement association. The calculation must assume continuous future service in the association until, and retirement at, the age at which the minimum requirements of the retirement association for normal retirement or retirement with an annuity unreduced for retirement at an early age, including Minnesota Statutes, section 356.30, are met with the additional service credit purchased. The calculation must also assume a future salary history that includes annual salary increases at the salary increase rate specified in Minnesota Statutes, section 356.215, subdivision 4d.

(c) The eligible person must establish in the records of the association proof of the service for which the purchase of prior service is requested. The manner of the proof of service must be in accordance with procedures prescribed by the executive director of the retirement association.

(d) The portion of the total cost of the purchase payable by the eligible person is specified in subdivision 3. The remaining portion of total cost is to be paid by the applicable employing unit as specified in subdivision 4.

Subd. 3. [ELIGIBLE PERSON PAYMENT.] (a) To receive credit for the period of service credit purchase specified in subdivision 1, the eligible person specified in subdivision 1 must pay a member contribution equivalent amount.

(b) The member contribution equivalent amount is an amount equal to four percent of salary during the period for service credit purchase, plus six percent annually compounded interest from the date on which a member contribution should have been made to the date on which payment is made. Payment must be made in a lump sum. Authority to make the member contribution equivalent amount expires one year after the effective date of this section.

Subd. 4. [MANDATORY EMPLOYING UNIT PAYMENT.] (a) Within 60 days of the receipt by the executive director of the public employees retirement association of the payment from the eligible person under subdivision 1,

the governmental unit employing the eligible person described in subdivision 1 during December, 1983, shall pay the difference between the amounts specified in subdivisions 2 and 3.

(b) The mandatory employing unit payment amount is payable by the governmental unit in a lump sum.

Subd. 5. [SERVICE CREDIT GRANT.] Service credit for the purchase period must be granted to the account of the eligible person upon receipt of the purchase payment amount specified in subdivision 2.

Subd. 6. [LOCAL APPROVAL.] This section is effective upon approval of independent school district No. 697, and compliance with Minnesota Statutes, section 645.021, subdivision 3."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 937, A bill for an act relating to retirement; benefit computation for members of the Bloomington police relief association; amending Minnesota Statutes 1992, sections 353B.07, subdivision 3; 353B.08, subdivision 6; and 353B.11, subdivisions 2, 3, 5, and 6.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayer	Mosel	Rest	Trimble
Anderson, I.	Davids	Hausman	Krinkie	Murphy	Rhodes	Tunheim
Anderson, R.	Dawkins	Holsten	Krueger	Nelson	Rice	Van Dellen
Asch	Dehler	Hugoson	Lasley	Ness	Rodosovich	Vellenga
Battaglia	Delmont	Huntley	Leppik	Olson, E.	Rukavina	Vickerman
Bauerly	Dempsey	Jacobs	Lieder	Olson, M.	Sarna	Wagenius
Beard	Dorn	Jaros	Limmer	Onnen	Seagren	Waltman
Bergson	Erhardt	Jefferson	Lindner	Opatz	Sekhon	Weaver
Bertram	Evans	Jennings	Lourey	Orenstein	Simoneau	Wejcman
Bettermann	Farrell	Johnson, A.	Luther	Orfield	Skoglund	Welle
Bishop	Frerichs	Johnson, R.	Lynch	Ostrom	Smith	Wenzel
Blatz	Garcia	Johnson, V.	Macklin	Ozment	Solberg	Winter
Brown, C.	Girard	Kahn	Mahon	Pauly	Sparby	Wolf
Brown, K.	Goodno	Kalis	Mariani	Pawlenty	Stanius	Worke
Carlson	Greenfield	Kelley	McCollum	Pelowski	Steensma	Workman
Carruthers	Greiling	Kelso	McGuire	Perlt	Sviggum	
Clark	Gruenes	Kinkel	Milbert	Peterson	Swenson	
Commers	Gutknecht	Klinzing	Molnau	Pugh	Tomassoni	
Cooper	Hasskamp	Knickerbocker	Morrison	Reding	Tompkins	

The bill was passed, as amended, and its title agreed to.

S. F. No. 694 was reported to the House.

Carruthers moved to amend S. F. No. 694, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [152.0271] [NOTICE TO COMMISSIONER OF PUBLIC SAFETY OF CERTAIN DRUG CONVICTIONS; DRIVER'S LICENSE REVOCATION.]

When a person is convicted of violating a provision of sections 152.021 to 152.027, the sentencing court shall determine whether the person unlawfully sold or possessed the controlled substance while driving a motor vehicle.

If so, the court shall notify the commissioner of public safety of its determination and order the commissioner to revoke the person's driver's license for 90 days or, if the conviction is for a violation of section 152.027, for 30 days. If the person does not have a driver's license or if the person's driver's license is suspended or revoked at the time of the conviction, the commissioner shall delay the issuance or reinstatement of the person's driver's license for 90 days or, if the conviction is for a violation of section 152.027, for 30 days after the person applies for the issuance or reinstatement of the license. Upon receipt of the court's order, the commissioner is authorized to take the licensing action without a hearing.

Sec. 2. Minnesota Statutes 1992, section 168.042, subdivision 2, is amended to read:

Subd. 2. [VIOLATION; ISSUANCE OF IMPOUNDMENT ORDER.] The commissioner shall issue a registration plate impoundment order when:

(1) a person's driver's license or driving privileges are revoked for a third violation, as defined in subdivision 1, paragraph (c), clause (1), within five years or a fourth or subsequent violation, as defined in subdivision 1, paragraph (c), clause (1), within 15 years; ~~or~~

(2) a person's driver's license or driving privileges are revoked for a violation of section 169.121, subdivision 3, paragraph (c), clause (4), within five years of one previous violation or within 15 years of two or more previous violations, as defined in subdivision 1, paragraph (c), clause (1); or

(3) a person is arrested for or charged with a violation described in subdivision 1, paragraph (c), clause (2) or (3).

The order shall require the impoundment of the registration plates of the vehicle involved in the violation and all vehicles owned by, registered, or leased in the name of the violator, including vehicles registered jointly or leased in the name of the violator and another. An impoundment order shall not be issued for the registration plates of a rental vehicle as defined in section 168.041, subdivision 10, or a vehicle registered in another state.

Sec. 3. Minnesota Statutes 1992, section 169.121, is amended by adding a subdivision to read:

Subd. 1c. [CONDITIONAL RELEASE.] A person charged with violating subdivision 1 within 15 years of the first of three prior impaired driving convictions or within the person's lifetime after four or more prior impaired driving convictions may be released from detention only upon the following conditions unless maximum bail is imposed:

(1) the impoundment of the registration plates of the vehicle used to commit the violation occurred, unless already impounded;

(2) a requirement that the alleged violator report weekly to a probation agent;

(3) a requirement that the alleged violator submit to random, weekly alcohol breath tests and urine analysis; and

(4) a requirement that, if convicted, the alleged violator reimburse the court or county for the total cost of these services.

Sec. 4. Minnesota Statutes 1992, section 169.121, subdivision 2, is amended to read:

Subd. 2. [EVIDENCE.] Upon the trial of any prosecution arising out of acts alleged to have been committed by any person arrested for driving, operating, or being in physical control of a motor vehicle in violation of subdivision 1, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by an analysis of those items.

For the purposes of this subdivision,

~~(a) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol;~~

~~(b) evidence that there was at the time an alcohol concentration of more than 0.05~~ 0.04 or more and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

Evidence of the refusal to take a test is admissible into evidence in a prosecution under this section or an ordinance in conformity with it.

If proven by a preponderance of the evidence, it shall be an affirmative defense to a violation of subdivision 1, clause (e), that the defendant consumed a sufficient quantity of alcohol after the time of actual driving, operating, or physical control of a motor vehicle and before the administration of the evidentiary test to cause the defendant's alcohol concentration to exceed 0.10. Provided, that this evidence may not be admitted unless notice is given to the prosecution prior to the omnibus or pretrial hearing in the matter.

The foregoing provisions do not limit the introduction of any other competent evidence bearing upon the question whether or not the person violated this section, including tests obtained more than two hours after the alleged violation and results obtained from partial tests on an infrared breath-testing instrument. A result from a partial test is the measurement obtained by analyzing one adequate breath sample, as defined in section 169.123, subdivision 2b, paragraph (b).

Sec. 5. Minnesota Statutes 1992, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] (a) As used in this subdivision:

(1) "prior impaired driving conviction" means a prior conviction under this section; section 84.91, subdivision 1, paragraph (a); 86B.331, subdivision 1, paragraph (a); 169.129; 360.0752; 609.21, subdivision 1, clauses (2) to (4); 609.21, subdivision 2, clauses (2) to (4); 609.21, subdivision 2a, clauses (2) to (4); 609.21, subdivision 3, clauses (2) to (4); 609.21, subdivision 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior impaired driving conviction also includes a prior juvenile adjudication that would have been a prior impaired driving conviction if committed by an adult; and

(2) "prior license revocation" means a driver's license suspension, revocation, or cancellation under this section; section 169.123; 171.04; 171.14; 171.16; 171.17; or 171.18 because of an alcohol-related incident; 609.21, subdivision 1, clauses (2) to (4); 609.21, subdivision 2, clauses (2) to (4); 609.21, subdivision 2a, clauses (2) to (4); 609.21, subdivision 3, clauses (2) to (4); or 609.21, subdivision 4, clauses (2) to (4).

(b) A person who violates subdivision 1 or 1a, or an ordinance in conformity with either of them, is guilty of a misdemeanor.

(c) A person is guilty of a gross misdemeanor under any of the following circumstances:

(1) the person violates subdivision 1 within five years of a prior impaired driving conviction, or within ten years of the first of two or more prior impaired driving convictions;

(2) the person violates subdivision 1a within five years of a prior license revocation, or within ten years of the first of two or more prior license revocations; or

(3) the person violates section 169.26 while in violation of subdivision 1; or

(4) the person violates subdivision 1 while a child under the age of 16 is in the vehicle, if the child is more than 36 months younger than the violator.

(d) 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.

(e) Notwithstanding section 609.04, a prosecution for or conviction of a crime under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct. The court may impose consecutive sentences for multiple crimes committed by the defendant as part of the same conduct.

When an attorney responsible for prosecuting gross misdemeanors under this section requests criminal history information relating to prior impaired driving convictions from a court, the court must furnish the information without charge.

Sec. 6. Minnesota Statutes 1992, section 169.121, subdivision 3a, is amended to read:

Subd. 3a. [HABITUAL OFFENDER PENALTIES.] (a) If a person has been convicted under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them, and if the person is then convicted of ~~a gross misdemeanor violation of~~ violating this section, a ~~violation of~~ section 169.129, or an ordinance in conformity with either of them (1) once within five years after the first conviction or (2) two or more times within ten years after the first conviction, the person must be sentenced to a minimum of 30 days imprisonment or to eight hours of community work service for each day less than 30 days that the person is ordered to serve in jail. Provided, that if a person is convicted of violating this section, section 169.129, or an ordinance in conformity with either of them two or more times within five years after the first conviction, or within five years after the first of two or more license revocations, as defined in subdivision 3, paragraph (a), clause (2), the person must be sentenced to a minimum of ~~30~~ 45 days imprisonment and the sentence may not be waived under paragraph (b) or (c). Notwithstanding section 609.135, the above sentence must be executed, unless the court departs from the mandatory minimum sentence under paragraph (b) or (c).

(b) Prior to sentencing the prosecutor may file a motion to have the defendant sentenced without regard to the mandatory minimum sentence established by this subdivision. The motion must be accompanied by a statement on the record of the reasons for it. When presented with the prosecutor's motion and if it finds that substantial mitigating factors exist, the court shall sentence the defendant without regard to the mandatory minimum term of imprisonment established by this subdivision.

(c) The court may, on its own motion, sentence the defendant without regard to the mandatory minimum term of imprisonment established by this subdivision if it finds that substantial mitigating factors exist and if its sentencing departure is accompanied by a statement on the record of the reasons for it.

(d) The court may sentence the defendant without regard to the mandatory minimum term of imprisonment established by this subdivision if the defendant is sentenced to probation and ordered to participate in a program established under section 169.1265.

(e) When any portion of the sentence required by this subdivision is not executed, the court should impose a sentence that is proportional to the extent of the offender's prior criminal and moving traffic violation record.

Sec. 7. Minnesota Statutes 1992, section 169.121, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATIVE PENALTIES.] (a) The commissioner of public safety shall revoke the driver's license of a person convicted of violating this section or an ordinance in conformity with it as follows:

(1) first offense under subdivision 1: not less than 30 days;

(2) first offense under subdivision 1a: not less than 90 days;

(3) second offense in less than five years, or third or subsequent offense on the record: (i) if the current conviction is for a violation of subdivision 1, not less than 180 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126; or (ii) if the current conviction is for a violation of subdivision 1a, not less than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;

(4) third offense in less than five years: not less than one year, together with denial under section 171.04, subdivision 1, clause (8), until rehabilitation is established in accordance with standards established by the commissioner;

(5) fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, subdivision 1, clause (8), until rehabilitation is established in accordance with standards established by the commissioner.

(b) If the person convicted of violating this section is under the age of ~~18~~ 21 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges ~~until the offender reaches the age of 18 years or~~ for a period of six months or for the appropriate period of time under paragraph (a), clauses (1) to (5), for the offense committed, whichever is the greatest period.

(c) For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.

(d) Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

(e) Except for a person whose license has been revoked under paragraph (b), any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is subject to the mandatory revocation provisions of paragraph (a), clause (1) or (2), in lieu of the mandatory revocation provisions of section 169.123.

Sec. 8. Minnesota Statutes 1992, section 169.121, subdivision 6, is amended to read:

Subd. 6. [PRELIMINARY SCREENING TEST.] When a peace officer has reason to believe from the manner in which a person is driving, operating, controlling, or acting upon departure from a motor vehicle, or has driven, operated, or controlled a motor vehicle, that the driver may be violating or has violated subdivision 1 or section 169.1211, the officer may require the driver to provide a sample of the driver's breath for a preliminary screening test using a device approved by the commissioner of public safety for this purpose. The results of this preliminary screening test shall be used for the purpose of deciding whether an arrest should be made and whether to require the tests authorized in section 169.123, but shall not be used in any court action except (1) to prove that a test was properly required of a person pursuant to section 169.123, subdivision 2; ~~or~~ (2) in a civil action arising out of the operation or use of the motor vehicle; (3) in an action for license reinstatement under section 171.19; or (4) in a prosecution or juvenile court proceeding concerning a violation of section 340A.503, subdivision 1, paragraph (a), clause (2). Following the screening test additional tests may be required of the driver pursuant to the provisions of section 169.123.

The driver who refuses to furnish a sample of the driver's breath is subject to the provisions of section 169.123 unless, in compliance with section 169.123, the driver submits to a blood, breath or urine test to determine the presence of alcohol or a controlled substance.

Sec. 9. Minnesota Statutes 1992, section 169.1217, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

(a) "Appropriate authority" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) "Designated offense" includes a violation of section 169.121, an ordinance in conformity with it, or 169.129:

(1) within five years of three prior driving under the influence convictions or three prior license revocations based on separate incidents;

(2) within 15 years of the first of four or more prior driving under the influence convictions or the first of four or more prior license revocations based on separate incidents;

(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (8); or

(4) by a person who is subject to a restriction on the person's driver's license under section 171.09 which provides that the person may not use or consume any amount of alcohol or a controlled substance.

"Designated offense" also includes a violation of section 169.121, subdivision 3, paragraph (c), clause (4):

(1) within five years of two prior driving under the influence convictions or two prior license revocations based on separate incidents; or

(2) within 15 years of the first of three or more prior driving under the influence convictions or the first of three or more prior license revocations based on separate incidents.

(c) "Motor vehicle" and "vehicle" have the meaning given "motor vehicle" in section 169.121, subdivision 11. The terms do not include a vehicle which is stolen or taken in violation of the law.

(d) "Owner" means the registered owner of the motor vehicle according to records of the department of public safety and includes a lessee of a motor vehicle if the lease agreement has a term of 180 days or more.

(e) "Prior driving under the influence conviction" means a prior conviction under section 169.121; 169.129; or 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior driving under the influence conviction also includes a prior juvenile adjudication that would have been a prior driving under the influence conviction if committed by an adult.

(f) "Prior license revocation" has the meaning given it in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Sec. 10. Minnesota Statutes 1992, section 169.1217, subdivision 9, is amended to read:

Subd. 9. [DISPOSITION OF FORFEITED VEHICLES.] (a) If the court finds under subdivision 8 that the vehicle is subject to forfeiture, it shall order the appropriate agency to:

- (1) sell the vehicle and distribute the proceeds under paragraph (b); or
- (2) keep the vehicle for official use.

(b) The proceeds from the sale of forfeited vehicles, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be forwarded to the treasury of the political subdivision that employs the appropriate agency responsible for the forfeiture for use in DWI-related enforcement, training and education. If the appropriate agency is an agency of state government, the net proceeds must be forwarded to the state treasury and credited to the general fund agency for use in DWI-related enforcement, training, and education.

Sec. 11. Minnesota Statutes 1992, section 169.123, subdivision 2, is amended to read:

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state or upon the ice of any boundary water of this state consents, subject to the provisions of this section and ~~section sections~~ sections 169.121 and 169.1211, to a chemical test of that person's blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has probable cause to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist:

- (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it;
- (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death;
- (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or
- (4) the screening test was administered and indicated an alcohol concentration of 0.10 or more.

The test may also be required of a person when an officer has probable cause to believe the person was driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol.

(b) At the time a test is requested, the person shall be informed:

- (1) that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance or, if the motor vehicle was a commercial motor vehicle, that Minnesota law requires the person to take a test to determine the presence of alcohol;

(2) that refusal to take a test is a crime;

(3) if the peace officer has probable cause to believe the person has violated the criminal vehicular homicide and injury laws, that a test will be taken with or without the person's consent; and

(4) that the person has the right to consult with an attorney, but that this right is limited to the extent that it cannot unreasonably delay administration of the test.

(c) The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. Action may be taken against a person who refuses to take a blood test only if an alternative test was offered and action may be taken against a person who refuses to take a urine test only if an alternative test was offered.

Sec. 12. Minnesota Statutes 1992, section 169.123, subdivision 4, is amended to read:

Subd. 4. [REFUSAL; REVOCATION OF LICENSE.] If a person refuses to permit a test, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. However, if a peace officer has probable cause to believe that the person has violated section 609.21, a test may be required and obtained despite the person's refusal. A refusal to submit to an alcohol concentration test does not constitute a violation of section 609.50, unless the refusal was accompanied by force or violence or the threat of force or violence. If a person submits to a test and the test results indicate an alcohol concentration of 0.10 or more, or if a person was driving, operating, or in physical control of a commercial motor vehicle and the test results indicate an alcohol concentration of 0.04 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to a test, the commissioner of public safety shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing. Upon 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 the presence of any alcohol and that the person refused to submit to a test, the commissioner shall disqualify the person from operating a commercial motor vehicle for a period of one year under section 171.165 and shall revoke the person's license or permit to drive or nonresident operating privilege for a period of one year. ~~If the person refusing to submit to testing is under the age of 18 years, the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year or until the person reaches the age of 18 years, whichever is greater.~~ Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to a test and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or nonresident operating privilege, for: (1) a period of 90 days; or (2) if the person is under the age of 18 21 years, for a period of six months ~~or until the person reaches the age of 18 years, whichever is greater~~; or (3) if the person's driver's license or driving privileges have been revoked within the past five years under this section or section 169.121, for a period of 180 days. 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 any presence of alcohol 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 171.165.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Sec. 13. Minnesota Statutes 1992, section 169.129, is amended to read:

169.129 [AGGRAVATED VIOLATIONS; PENALTY.]

Any person is guilty of a gross misdemeanor who drives, operates, or is in physical control of a motor vehicle, the operation of which requires a driver's license, within this state or upon the ice of any boundary water of this state in violation of section 169.121 or an ordinance in conformity with it before the person's driver's license or driver's

privilege has been reinstated following its cancellation, suspension, revocation, or denial under any of the following: section 169.121, 169.1211, or 169.123; section 171.04, 171.14, 171.16, 171.17, or 171.18 because of an alcohol-related incident; section 609.21, subdivision 1, clauses (2) to (4); 609.21, subdivision 2, clauses (2) to (4); 609.21, subdivision 2a, clauses (2) to (4); 609.21, subdivision 3, clauses (2) to (4); or 609.21, subdivision 4, clauses (2) to (4).

Notwithstanding section 609.04, a prosecution for or conviction of a crime under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct. The court may impose consecutive sentences for multiple crimes committed by the defendant as part of the same conduct.

Sec. 14. Minnesota Statutes 1992, section 169.797, subdivision 4, is amended to read:

Subd. 4. [PENALTY.] (a) A person who violates this section is guilty of a misdemeanor. A person is guilty of a gross misdemeanor who violates this section within ten years of the first of two prior convictions under this section, section 169.791, or a statute or ordinance in conformity with one of those sections. The operator of a vehicle who violates subdivision 3 and who causes or contributes to causing a vehicle accident that results in the death of any person or in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, is guilty of a gross misdemeanor. The same prosecuting authority who is responsible for prosecuting misdemeanor violations of this section is responsible for prosecuting gross misdemeanor violations of this section. In addition to any sentence of imprisonment that the court may impose on a person convicted of violating this section, the court shall impose a fine of not less than \$200 nor more than the maximum amount authorized by law. The court may allow community service in lieu of any fine imposed if the defendant is indigent.

(b) In addition to the criminal penalty, the driver's license of an operator convicted under this section shall be revoked for not more than 12 months. If the operator is also an owner of the vehicle, the registration of the vehicle shall also be revoked for not more than 12 months. Before reinstatement of a driver's license or registration, the operator shall file with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in this state stating that security has been provided by the operator as required by section 65B.48.

(c) The commissioner shall include a notice of the penalties contained in this section on all forms for registration of vehicles required to maintain a plan of reparation security.

(d) Notwithstanding section 609.04, a prosecution for or conviction of a crime under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct. The court may impose consecutive sentences for multiple crimes committed by the defendant as part of the same conduct.

Sec. 15. Minnesota Statutes 1992, section 171.13, subdivision 1b, is amended to read:

Subd. 1b. [DRIVER'S MANUAL; ALCOHOL CONSUMPTION.] The commissioner shall include in each edition of the driver's manual published by the department a chapter relating to the effect of alcohol consumption on highway safety and on the ability of drivers to safely operate motor vehicles and a summary of the laws of Minnesota on operating a motor vehicle while under the influence of alcohol or a controlled substance. This chapter shall also include information on the dangers of driving at alcohol concentration levels below the per se level as defined in section 169.01, and specifically state that:

(1) there is no "safe" level or amount of alcohol that an individual can assume will not impair one's driving performance and increase the risk of a crash;

(2) a driver may be convicted of driving while impaired irrespective of whether or not the driver's alcohol concentration exceeds the legal limit for alcohol concentration; and

(3) a person under the legal drinking age may be convicted of illegally consuming alcohol if found to have consumed any amount of alcohol.

Sec. 16. [171.172] [DRIVER'S LICENSE REVOCATION; PERSONS CONVICTED OF OR ADJUDICATED FOR CERTAIN CONTROLLED SUBSTANCE OFFENSES.]

The commissioner of public safety shall revoke the driver's license of any person convicted of or any juvenile adjudicated for a controlled substance offense if the court has notified the commissioner of a determination made under section 152.0271 or 260.185, subdivision 1. The period of revocation shall be for the applicable time period specified in section 152.0271. If the person does not have a driver's license or if the person's driver's license is

suspended or revoked at the time of the conviction or adjudication, the commissioner shall, upon the person's application for driver's license issuance or reinstatement, delay the issuance or reinstatement of the person's driver's license for the applicable time period specified in section 152.0271.

Sec. 17. [171.173] [DRIVER'S LICENSE SUSPENSION; PERSONS CONVICTED OF OR ADJUDICATED FOR CERTAIN UNDERAGE DRINKING OFFENSES.]

The commissioner of public safety shall suspend the driver's license of any person convicted of or any juvenile adjudicated for an offense under section 340A.503, subdivision 1, paragraph (a), clause (2), if the court has notified the commissioner of a determination made under section 340A.503, subdivision 1, paragraph (c). The period of suspension shall be for the applicable period specified in that paragraph. If the person does not have a driver's license or if the person's driver's license is suspended or revoked at the time of the conviction or adjudication, the commissioner shall, upon the person's application for driver's license issuance or reinstatement, delay the issuance or reinstatement of the person's driver's license for the applicable time period specified in section 340A.503, subdivision 1, paragraph (c). Upon receipt of the court's order, the commissioner is authorized to take the licensing action without a hearing.

Sec. 18. Minnesota Statutes 1992, section 171.24, is amended to read:

171.24 [VIOLATIONS; DRIVING WITHOUT VALID LICENSE.]

(a) Except as otherwise provided in paragraph (c), any person whose driver's license or driving privilege has been canceled, suspended, or revoked and who has been given notice of, or reasonably should know of the revocation, suspension, or cancellation, and who disobeys such order by operating anywhere in this state any motor vehicle, the operation of which requires a driver's license, while such license or privilege is canceled, suspended, or revoked is guilty of a misdemeanor.

(b) Any person who has been disqualified from holding a commercial driver's license or been denied the privilege to operate a commercial motor vehicle, who has been given notice of or reasonably should know of the disqualification, and who disobeys the order by operating in this state a commercial motor vehicle while the person is disqualified to hold the license or privilege, is guilty of a misdemeanor.

(c) A person is guilty of a gross misdemeanor if:

(1) the person's driver's license or driving privileges has been canceled under section 171.04, subdivision 1, clause (8), and the person has been given notice of or reasonably should know of the cancellation; and

(2) the person disobeys the order by operating in this state any motor vehicle, the operation of which requires a driver's license, while the person's license or privilege is canceled.

(d) Notwithstanding section 609.04, a prosecution for or conviction of a crime under this section is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct. The court may impose consecutive sentences for multiple crimes committed by the defendant as part of the same conduct.

Notice of revocation, suspension, cancellation, or disqualification is sufficient if personally served, or if mailed by first class mail to the person's last known address or to the address listed on the person's driver's license. Notice is also sufficient if the person was informed that revocation, suspension, cancellation, or disqualification would be imposed upon a condition occurring or failing to occur, and where the condition has in fact occurred or failed to occur. 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.

Sec. 19. Minnesota Statutes 1992, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [CONDITIONS OF ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or 171.173, or revoked under section 169.121, 169.123, 169.792, 169.797, or 171.17, or 171.172, the commissioner may issue a limited license to the driver including under the following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

For purposes of this subdivision, "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents.

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

Sec. 20. Minnesota Statutes 1992, 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 the child's 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 245A.01 to 245A.16; or
  - (4) 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) 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 person or 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 found by the court to have committed a controlled substance offense under sections 152.021 to 152.027, the court shall determine whether the child unlawfully possessed or sold the controlled substance while driving a motor vehicle. If so, the court shall notify the commissioner of public safety of its determination and order the commissioner to revoke the child's driver's license for the applicable time period specified in section 152.0271. If the child does not have a driver's license or if the child's driver's license is suspended or revoked at the time of the delinquency finding, the commissioner shall, upon the child's application for driver's license issuance or reinstatement, delay the issuance or reinstatement of the child's driver's license for the applicable time period specified in section 152.0271. Upon receipt of the court's order, the commissioner is authorized to take the licensing action without a hearing.

If the child is petitioned and found by the court to have committed or attempted to commit an act in violation of section 609.342; 609.343; 609.344; 609.345; 609.3451; 609.746, subdivision 1; 609.79; or 617.23, or another offense arising out of a delinquency petition based on one or more of those sections, the court shall order an independent professional assessment of the child's need for sex offender treatment. An assessor providing an assessment for the court may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider. If the assessment 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. Notwithstanding section 13.42, 13.85, 144.335, 260.161, or 626.556, the assessor has access to the following private or confidential data on the child if access is relevant and necessary for the assessment:

- (1) medical data under section 13.42;
- (2) corrections and detention data under section 13.85;
- (3) health records under section 144.335;
- (4) juvenile court records under section 260.161; and
- (5) local welfare agency records under section 626.556.

Data disclosed under this paragraph may be used only for purposes of the assessment and may not be further disclosed to any other person, except as authorized by law.

If the child is found delinquent due to the commission of an offense that would be a felony if committed by an adult, the court shall make a specific finding on the record regarding the juvenile's mental health and chemical dependency treatment needs.

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.

Sec. 21. Minnesota Statutes 1992, section 340A.503, subdivision 1, is amended to read:

Subdivision 1. [CONSUMPTION.] (a) It is unlawful for any:

(1) retail intoxicating liquor or nonintoxicating liquor licensee, municipal liquor store, or bottle club permit holder under section 340A.414, to permit any person under the age of 21 years to consume alcoholic beverages on the licensed premises or within the municipal liquor store; or

(2) person under the age of 21 years to consume any alcoholic beverages. As used in this clause, "consume" includes the ingestion of an alcoholic beverage and the physical condition of having ingested an alcoholic beverage. If proven by a preponderance of the evidence, it is an affirmative defense to a violation of this clause that the defendant consumed the alcoholic beverage in the household of the defendant's parent or guardian and with the consent of the parent or guardian.

(b) An offense under paragraph (a), clause (2), may be prosecuted either at the place where consumption occurs or the place where evidence of consumption is observed.

(c) When a person is convicted of or adjudicated for an offense under paragraph (a), clause (2), the court shall determine whether the person committed the offense while operating a motor vehicle. If so, the court shall notify the commissioner of public safety of its determination. Upon receipt of the court's determination, the commissioner shall suspend the person's driver's license or operating privileges for 30 days, or for 180 days if the person has previously been convicted of or adjudicated for an offense under paragraph (a), clause (2).

Sec. 22. Minnesota Statutes 1992, section 340A.802, subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS; CONTENT.] In the case of a claim for damages, the notice must be served by the claimant's attorney within ~~120~~ 240 days of the date of entering an attorney-client relationship with the person in regard to the claim. In the case of claims for contribution or indemnity, the notice must be served within 120 days after the injury occurs or within 60 days after receiving written notice of a claim for contribution or indemnity, whichever is applicable. No action for damage or for contribution or indemnity may be maintained unless the notice has been given. If requested to do so, a municipality or licensee receiving a notice shall promptly furnish claimant's attorney the names and addresses of other municipalities or licensees who sold or bartered liquor to the person identified in the notice, if known. Actual notice of sufficient facts reasonably to put the licensee or governing body of the municipality on notice of a possible claim complies with the notice requirement.

No action may be maintained under section 340A.801 unless commenced within two years after the injury.

Sec. 23. Minnesota Statutes 1992, section 609.035, is amended to read:

609.035 [CRIME PUNISHABLE UNDER DIFFERENT PROVISIONS.]

Except as provided in sections 169.121, 169.129, 169.797, 171.24, 609.251, 609.585, 609.21, subdivisions 3 and 4, 609.2691, and 609.856, if a person's conduct constitutes more than one offense under the laws of this state, the person may be punished for only one of the offenses and a conviction or acquittal of any one of them is a bar to prosecution for any other of them. All the offenses, if prosecuted, shall be included in one prosecution which shall be stated in separate counts.

Sec. 24. [EFFECTIVE DATE.]

Sections 1 to 20, and 23 are effective August 1, 1993, and apply to crimes committed on or after that date. Section 21 is effective June 1, 1993, and applies to crimes committed on or after that date. Section 22 is effective August 1, 1993, and applies to causes of action arising on or after that date."

Delete the title and insert:

"A bill for an act relating to alcohol and chemical use; increasing penalties for driving while intoxicated with a child under 16 in the vehicle; establishing a misdemeanor offense for juveniles who drive with an alcohol concentration greater than 0.02; providing for driver's license suspension for this offense; requiring driver's license revocation for

persons convicted of a controlled substance offense if the court finds that the person committed the offense while driving a motor vehicle; providing that certain repeat DWI offenders must serve 45 days in jail; providing pretrial release conditions for habitual DWI violators; increasing the penalty for certain persons who drive while under license cancellation; allowing consecutive sentences for persons convicted of DWI, driving after revocation or cancellation, or driving without insurance; allowing the use of preliminary screening tests in certain proceedings; clarifying administrative revocation penalties; defining "consumption" in the underage drinking law; expanding prosecutorial jurisdiction over underage drinking offenses; expanding filing requirements relating to dram shop actions; amending Minnesota Statutes 1992, sections 168.042, subdivision 2; 169.121, subdivisions 2, 3, 3a, 4, 6, and by adding a subdivision; 169.1217, subdivisions 1 and 9; 169.123, subdivisions 2 and 4; 169.129; 169.797, subdivision 4; 171.13, subdivision 1b; 171.24; 171.30, subdivision 1; 260.185, subdivision 1; 340A.503, subdivision 1; 340A.802, subdivision 2; and 609.035; proposing coding for new law in Minnesota Statutes, chapters 152; and 171."

The motion prevailed and the amendment was adopted.

Carruthers moved to amend S. F. No. 694, as amended, as follows:

Page 16, line 33, delete "per se level" and insert "legal limit for alcohol concentration"

Page 16, line 34, delete everything before the comma

Page 17, line 1, delete "and" and insert "or"

Page 17, line 3, delete "irrespective of"

Page 25, line 26, before "20" insert "16, 18,"

Page 25, line 27, delete "Section 21 is" and insert "Sections 17, 19, and 21 are"

Page 25, line 28, delete "applies" and insert "apply"

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete lines 5 to 7

Page 1, line 23, after the semicolon, insert "requiring driver's license suspension for persons who commit an underage drinking offense while operating a motor vehicle;"

The motion prevailed and the amendment was adopted.

The Speaker called Bauerly to the Chair.

Solberg moved to amend S. F. No. 694, as amended, as follows:

Page 17, delete lines 25 to 36

Page 18, delete lines 1 to 7

Page 24, delete lines 18 to 27

Renumber remaining sections

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Solberg amendment and the roll was called. There were 57 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Hausman	Klinzing	Opatz	Rukavina	Vellenga
Anderson, R.	Dorn	Huntley	Krinkie	Orfield	Sarna	Welle
Bauerly	Evans	Jacobs	Lasley	Osthoff	Simoneau	Winter
Beard	Farrell	Jaros	Lieder	Ozment	Solberg	
Bertram	Garcia	Jefferson	Mariani	Perlt	Sparby	
Bishop	Greenfield	Johnson, A.	Milbert	Peterson	Tomassoni	
Brown, C.	Greiling	Kahn	Nelson	Pugh	Tompkins	
Carlson	Gruenes	Kelso	Olson, E.	Reding	Trimble	
Clark	Hasskamp	Kinkel	Olson, K.	Rodosovich	Tunheim	

Those who voted in the negative were:

Abrams	Dawkins	Hugoson	Lindner	Murphy	Seagren	Waltman
Asch	Dehler	Jennings	Lourey	Ness	Sekhon	Weaver
Battaglia	Delmont	Johnson, R.	Luther	Olson, M.	Skoglund	Wejzman
Bergson	Dempsey	Johnson, V.	Lynch	Onnen	Smith	Wenzel
Bettermann	Erhardt	Kalis,	Macklin	Orenstein	Stanius	Wolf
Blatz	Frerichs	Kelley	Mahon	Ostrom	Steenma	Worke
Brown, K.	Girard	Knickerbocker	McCollum	Pauly	Sviggum	Workman
Carruthers	Goodno	Koppendrayner	McGuire	Pawlenty	Swenson	
Commers	Gutknecht	Krueger	Molnau	Pelowski	Van Dellen	
Cooper	Haukoos	Leppik	Morrison	Rest	Vickerman	
Davids	Holsten	Limmer	Mosel	Rhodes	Wagenius	

The motion did not prevail and the amendment was not adopted.

S. F. No. 694, A bill for an act relating to driving while intoxicated; increasing driver's license revocation periods and restricting issuance of limited licenses to persons convicted of DWI, to comply with federal standards; increasing penalties for driving while intoxicated with a child under 16 in the vehicle; modifying bond provisions; establishing misdemeanor offense of operating a motor vehicle by a minor with alcohol concentration greater than 0.02; providing for implied consent to test minor's blood, breath, or urine and making refusal to take test a crime; amending Minnesota Statutes 1992, sections 168.042, subdivision 2; 169.121, subdivisions 1, 2, 3, 4, 6, 8, 10a, and by adding a subdivision; 169.1217, subdivisions 1 and 4; 169.123, subdivisions 2, 4, 5a, 6, 10, and by adding a subdivision; 169.129; 171.30, subdivision 2a; 171.305, subdivision 2; and 609.21; proposing coding for new law in Minnesota Statutes, chapter 169.

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 107 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Clark	Dehler	Frerichs	Gruenes	Jacobs
Anderson, I.	Blatz	Commers	Delmont	Garcia	Gutknecht	Jefferson
Asch	Brown, C.	Cooper	Dempsey	Girard	Haukoos	Jennings
Bauerly	Brown, K.	Dauner	Dorn	Goodno	Holsten	Johnson, A.
Bergson	Carlson	Davids	Erhardt	Greenfield	Hugoson	Johnson, R.
Bettermann	Carruthers	Dawkins	Evans	Greiling	Huntley	Johnson, V.

Kalis	Lindner	Molnau	Orenstein	Rest	Swenson	Wenzel
Kelley	Lourey	Morrison	Orfield	Rhodes	Tompkins	Wolf
Klinzing	Luther	Mosel	Ostrom	Rice	Trimble	Worke
Knickerbocker	Lynch	Murphy	Ozment	Seagren	Tunheim	Workman
Koppendrayar	Macklin	Nelson	Pauly	Sekhon	Van Dellen	Spk. Long
Krueger	Mahon	Ness	Pawlenty	Skoglund	Vickerman	
Lasley	Mariani	Olson, E.	Pelowski	Smith	Wagenius	
Leppik	McCollum	Olson, M.	Perlt	Sparby	Waltman	
Lieder	McGuire	Onnen	Peterson	Steensma	Weaver	
Limmer	Milbert	Opatz	Pugh	Sviggum	Wejcmam	

Those who voted in the negative were:

Anderson, R.	Farrell	Jaros	Krinkie	Rodosovich	Stanius	Winter
Beard	Hasskamp	Kelso	Olson, K.	Rukavina	Tomassoni	
Bertram	Hausman	Kinkel	Osthoff	Simoneau	Welle	

The bill was passed, as amended, and its title agreed to.

Frerichs was excused for the remainder of today's session.

S. F. No. 1400 was reported to the House.

Anderson, I., moved to amend S. F. No. 1400, as follows:

Page 2, after line 10, insert:

"Sec. 4. [NORTHERN ITASCA HOSPITAL DISTRICT.]

Notwithstanding Minnesota Statutes, section 447.31, subdivision 2, the Northern Itasca Hospital District shall include any city or town located in Itasca or Koochiching counties that at any time after May 1, 1993, elects, by resolution or otherwise as provided by statute, to be part of the hospital district."

Re-number the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Steensma and Winter moved to amend S. F. No. 1400, as amended, as follows:

Page 1, line 6, delete "county" and insert ", Rock, Pipestone,"

Page 1, line 15, delete the first "county" and insert ", Rock, Pipestone,"

Page 1, line 22, after "Nobles" insert ", Rock, Pipestone," and delete the first "county"

Page 2, line 12, delete everything before "respective" and insert "Sections 1 to 3 take effect in each"

Page 2, line 14, delete "county board or the" and insert ", Rock, Pipestone, or"

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 1400, A bill for an act relating to Nobles and Murray counties; permitting the consolidation of the offices of auditor and treasurer.

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 121 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Holsten	Lasley	Nelson	Rice	Tunheim
Anderson, R.	Dehler	Hugoson	Leppik	Ness	Rodosovich	Van Dellen
Asch	Delmont	Huntley	Lieder	Olson, E.	Rukavina	Vellenga
Battaglia	Dempsey	Jacobs	Limmer	Opatz	Sarna	Vickerman
Bauerly	Dorn	Jaros.	Lindner	Orenstein	Seagren	Wagenius
Beard	Erhardt	Jefferson	Lourey	Orfield	Sekhon	Weaver
Bergson	Evans	Johnson, A.	Luther	Osthoff	Simoneau	Wejzman
Bertram	Farrell	Johnson, V.	Lynch	Ostrom	Skoglund	Wenzel
Bishop	Garcia	Kahn	Macklin	Ozment	Smith	Winter
Blatz	Girard	Kalis	Mahon	Pauly	Solberg	Wolf
Brown, C.	Goodno	Kelley	Mariani	Pawlenty	Sparby	Worke
Brown, K.	Greenfield	Kelso	McCollum	Pelowski	Stanius	Workman
Carlson	Greiling	Kinkel	McGuire	Perlt	Steensma	Spk. Long
Carruthers	Gruenes	Klinzing	Milbert	Peterson	Sviggum	
Clark	Gutknecht	Knickerbocker	Molnau	Pugh	Swenson	
Commers	Hasskamp	Koppendrayner	Morrison	Reding	Tomassoni	
Cooper	Haukoos	Krinkie	Mosel	Rest	Tompkins	
Davids	Hausman	Krueger	Murphy	Rhodes	Trimble	

Those who voted in the negative were:

Abrams	Dauner	Johnson, R.	Onnen
Bettermann	Jennings	Olson, M.	Waltman

The bill was passed, as amended, and its title agreed to.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 574:

Reding, Kahn, Knickerbocker, Greiling and Johnson, R.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1039:

Garcia; Brown, C., and Gutknecht.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1114:

Milbert; Anderson, I., and Weaver.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1585:

Skoglund, Bishop, Carruthers, McGuire and Brown, C.

### SPECIAL ORDERS, Continued

S. F. No. 490 was reported to the House.

Workman moved to amend S. F. No. 490, as follows:

Page 1, after line 23, insert:

"Sec. 2. [EASEMENT ACROSS STATE LANDS; LOTUS LAKE FISH BARRIER.]

(a) Notwithstanding Minnesota Statutes, section 84.631, the commissioner of natural resources shall convey a right-of-way easement for ingress and egress to the fee title owner of land described as follows: that part of Government Lot One (1), Section One (1), Township One Hundred Sixteen (116), Range Twenty-Three (23), Carver county, described as follows:

Beginning at a point on the East line of Government Lot One (1) distant 1775.00 feet South of the Northeast corner of the Southeast Quarter of said Section One (1); thence at right angles West 183.00 feet; thence at right angles South 150.00 feet; thence deflecting to the left 67 degrees 43 minutes distant 197.76 feet to the East line of said Government Lot 1; thence North along said East line to the point of beginning, except the East 33 feet taken for State Highway No. 101, according to the U.S. Government Survey. Also, that part of Government Lot One (1), Section One (1), Township One Hundred Sixteen (116), Range Twenty-three (23), described as follows: Commencing at a point to the East line of Government Lot One (1) distant 1775.00 feet South of the Northeast corner of the Southeast Quarter of said Section One (1); thence at right angles West 183.00 feet to the actual point of beginning; thence continuing West along the last described course 50.00 feet; thence at right angles South 129.51 feet; thence deflecting to the left 67 degrees 43 minutes distant 54.04 feet; thence deflecting to the left 112 degrees 17 minutes distant 150.00 feet to the point of beginning.

(b) The conveyance must be in a form approved by the attorney general.

(c) The easement granted is: A 12.00 foot easement for ingress and egress over and across that part of Government Lot One (1), Section 1, Township 116, Range 23, Carver County, described as follows:

Commencing at the southeast corner of said Section 1; thence on an assumed bearing of North 205.00 feet along the east line of said Section 1 to the point of beginning; thence continuing North 430.65 feet along the east line of said Section 1 to the southeast corner of that tract of land filed for record on October 30, 1973, in Book 114 of Deeds, page 447; thence North 67 degrees 43 minutes 00 seconds West 251.80 feet along the south line of said tract to its southwest corner; thence North, 65.00 feet along the west line of said tract; thence North 89 degrees 17 minutes 39 seconds West; 223.37 feet; thence North 48 degrees 25 minutes 13 seconds West, 107.06 feet; thence North 75 degrees 46 minutes 32 seconds West, 117.98 feet; thence South 87 degrees 23 minutes 08 seconds West, 168.93 feet; thence South 77 degrees 22 minutes 17 seconds West, 189.00 feet, more or less, to the water's edge of Lotus Lake; thence southeasterly along the water's edge of Lotus Lake to a point which bears North 69 degrees 00 minutes 00 seconds West from the point of beginning; thence South 69 degrees 00 minutes 00 seconds East 846.00 feet, more or less, to the point of beginning.

The centerline of said easement is described as follows:

Beginning at a point on the East line of said Government Lot 1, distant 1931.80 feet south from the Northeast corner of said Southeast Quarter; thence southwesterly 110.13 feet, along a curve to the left, having a radius of 300.00 feet, a central angle of 21 degrees 01 minutes 56 seconds, a chord distance of 109.51 feet and chord bearing of South 66 degrees 20 minutes 51 seconds West; thence westerly 98.77 feet, along a reverse curve to the right, having a radius of 71.50 feet and a central angle of 79 degrees 08 minutes 47 seconds; thence northerly 64.86 feet, along a compound curve to the right, having a radius of 100.00 feet and a central angle of 37 degrees 09 minutes 40 seconds to the northerly line of said property and there said line terminates.

For the purpose of this description, the side lines of said easement are to terminate at the north line of the above described property.

(d) The consideration received by the state for its conveyance of the easement shall be the value of the easement as established by the state's appraisal, less the appraised value of the easement the state is acquiring from the fee title owner of the land described in paragraph (a). The commissioner shall appraise and review both easements. Appraisal costs associated with the easement the state is granting shall be the state's responsibility. All other actual appraisal costs incurred by the commissioner shall be the fee title owner's responsibility.

(e) Conveyance of the easement shall take place only after the fee title owner of the land described in paragraph (a), has donated to the state of Minnesota a right-of-way easement for ingress and egress in connection with the operation, maintenance and repair of the Lotus Lake Fish Barrier which is located in the lands described in paragraph (c), approximately 60 feet westerly of the east line of the above described property in the outlet stream from Lotus Lake. Said easement shall be: A 12.00 foot easement for ingress and egress over and across that part of Government Lot 1, Section 1, Township 116, Range 23, Carver county, Minnesota, described as follows:

Beginning at a point on the East line of said Government Lot 1, distant 1775.00 feet south from the Northeast corner of the Southeast Quarter of said Section 1; thence at right angles west, a distance of 233.00 feet; thence at right angles south, a distance of 129.51 feet; thence deflecting to the left 67 degrees 43 minutes, a distance of 251.80 feet to the East line of said Government Lot 1; thence north along said East line to the point of beginning, except the East 33.00 feet taken for State Highway No. 101. The centerline of said easement is described as follows:

Beginning at a point on the East line of said Government Lot 1, distant 1931.80 feet south from the Northeast corner of said Southeast Quarter; thence southwesterly 110.13, along a curve to the left, having a radius of 300.00 feet, a Central angle of 21 degrees 01 minutes 56 seconds, a chord distance of 109.51 feet and a chord bearing of South 66 degrees 20 minutes 51 seconds West and there said centerline terminates. For the purpose of this description, the side lines of said easement are to terminate at the South and East lines of the above described property.

(f) Both easements conveyed shall be perpetual and be drafted in a form approved by the attorney general. Any changes to the easement must be mutually agreed upon by all parties and approved as to form and execution by the attorney general."

Page 1, line 25, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "Oakdale" insert "; authorizing the conveyance of an easement across department of natural resources-fisheries land"

The motion prevailed and the amendment was adopted.

S. F. No. 490, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land that borders public water in Washington county to the city of Oakdale.

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	Dauner	Hausman	Krinkie	Murphy	Rest	Trimble
Anderson, I.	Davids	Holsten	Krueger	Nelson	Rhodes	Tunheim
Anderson, R.	Dawkins	Hugoson	Lasley	Ness	Rice	Van Dellen
Asch	Dehler	Huntley	Leppik	Olson, E.	Rodosovich	Vellenga
Battaglia	Delmont	Jacobs	Lieder	Olson, K.	Rukavina	Vickerman
Bauerly	Dempsey	Jaros	Limmer	Olson, M.	Sarna	Wagenius
Beard	Dorn	Jefferson	Lindner	Onnen	Seagren	Waltman
Bergson	Erhardt	Jennings	Lourey	Opatz	Sekhon	Weaver
Bertram	Evans	Johnson, A.	Luther	Orenstein	Simoneau	Wejcmn
Bettermann	Farrell	Johnson, R.	Lynch	Osthoff	Skoglund	Wenzel
Bishop	Garcia	Johnson, V.	Macklin	Ostrom	Smith	Winter
Blatz	Girard	Kahn	Mahon	Ozment	Solberg	Wolf
Brown, C.	Goodno	Kalis	Mariani	Pauly	Sparby	Worke
Brown, K.	Greenfield	Kelley	McCollum	Pawlenty	Stanius	Workman
Carlson	Greiling	Kelso	McGuire	Pelowski	Steensma	Spk. Long
Carruthers	Gruenes	Kinkel	Milbert	Perlt	Sviggum	
Clark	Gutknecht	Klinzing	Molnau	Peterson	Swenson	
Commers	Hasskamp	Kruckerbocker	Morrison	Pugh	Tomassoni	
Cooper	Haukoos	Koppendrayner	Mosel	Reding	Tompkins	

The bill was passed, as amended, and its title agreed to.

S. F. No. 464 was reported to the House.

Johnson, R.; Rukavina; Johnson, V.; Weaver and Kinkel moved to amend S. F. No. 464, as follows:

Page 1, after line 14, insert:

"This section is effective for the 1994 firearms deer season and subsequent firearms deer seasons. The commissioner of natural resources shall, by way of public service announcements and other means, inform the public of the provisions of this section."

The motion prevailed and the amendment was adopted.

S. F. No. 464, A bill for an act relating to game and fish; color of outer clothing required in firearms deer zones; amending Minnesota Statutes 1992, section 97B.071.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Clark	Dempsey	Greenfield	Hugoson	Johnson, V.
Anderson, I.	Bettermann	Commers	Dorn	Greiling	Huntley	Kahn
Anderson, R.	Bishop	Cooper	Erhardt	Gruenes	Jacobs	Kalis
Asch	Blatz	Dauner	Evans	Gutknecht	Jaros	Kelley
Battaglia	Brown, C.	Davids	Farrell	Hasskamp	Jefferson	Kelso
Bauerly	Brown, K.	Dawkins	Garcia	Haukoos	Jennings	Kinkel
Beard	Carlson	Dehler	Girard	Hausman	Johnson, A.	Klinzing
Bergson	Carruthers	Delmont	Goodno	Holsten	Johnson, R.	Kruckerbocker

Koppendrayer	Macklin	Ness	Pauly	Rukavina	Swenson	Wejcman
Krinkie	Mahon	Olson, E.	Pawlenty	Sarna	Tomassoni	Wenzel
Krueger	Mariani	Olson, K.	Pelowski	Seagren	Tompkins	Winter
Lasley	McCollum	Olson, M.	Perl	Sekhon	Trimble	Wolf
Leppik	McGuire	Onnen	Peterson	Simoneau	Turheim	Worke
Lieder	Milbert	Opatz	Pugh	Skoglund	Van Dellen	Workman
Limmer	Molnau	Orenstein	Reding	Smith	Vellenga	Spk. Long
Lindner	Morrison	Orfield	Rest	Solberg	Vickerman	
Lourey	Mosel	Osthoff	Rhodes	Sparby	Wagenius	
Luther	Murphy	Ostrom	Rice	Steensma	Waltman	
Lynch	Nelson	Ozment	Rodosovich	Sviggum	Weaver	

Those who voted in the negative were:

Stanius

The bill was passed, as amended, and its title agreed to.

S. F. No. 1380 was reported to the House.

Evans moved to amend S. F. No. 1380, as follows:

Page 2, line 5, before "or" delete "tow" and insert "ton"

The motion prevailed and the amendment was adopted.

S. F. No. 1380, A bill for an act relating to commerce; regulating heavy and utility equipment dealership agreements; including truck parts within the scope of coverage; defining terms; amending Minnesota Statutes 1992, section 325E.068, subdivision 2, and by adding subdivisions.

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	Dauner	Hausman	Krinkie	Murphy	Reding	Tompkins
Anderson, I.	Davids	Holsten	Krueger	Nelson	Rest	Trimble
Anderson, R.	Dawkins	Hugoson	Lasley	Ness	Rhodes	Tunheim
Asch	Dehler	Huntley	Leppik	Olson, E.	Rice	Van Dellen
Battaglia	Delmont	Jacobs	Lieder	Olson, K.	Rodosovich	Vellenga
Bauerly	Dempsey	Jaros	Limmer	Olson, M.	Rukavina	Vickerman
Beard	Dorn	Jefferson	Lindner	Onnen	Sarna	Vickerman
Bergson	Erhardt	Jennings	Lourey	Opatz	Seagren	Waltman
Bertram	Evans	Johnson, A.	Luther	Orenstein	Sekhon	Weaver
Bettermann	Farrell	Johnson, R.	Lynch	Orfield	Simoneau	Wejcman
Bishop	Garcia	Johnson, V.	Macklin	Osthoff	Skoglund	Wenzel
Blatz	Girard	Kahn	Mahon	Ostrom	Smith	Winter
Brown, C.	Goodno	Kalis	Mariani	Ozment	Solberg	Wolf
Brown, K.	Greenfield	Kelley	McCollum	Pauly	Sparby	Worke
Carlson	Greiling	Kelso	McGuire	Pawlenty	Stanius	Workman
Carruthers	Gruenes	Kinkel	Milbert	Pelowski	Steensma	Spk. Long
Clark	Gutknecht	Klinzing	Molnau	Perl	Sviggum	
Commers	Hasskamp	Knickerbocker	Morrison	Peterson	Swenson	
Cooper	Haukoos	Koppendrayer	Mosel	Pugh	Tomassoni	

The bill was passed, as amended, and its title agreed to.

S. F. No. 174 was reported to the House.

Asch moved that S. F. No. 174 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 739, A bill for an act relating to health; regulating ionization radiation; exempting practitioners of veterinary medicine from certain quality assurance tests; amending Minnesota Statutes 1992, section 144.121, by adding subdivisions.

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	Dauner	Holsten	Krueger	Nelson	Rest	Trimble
Anderson, I.	Davids	Hugoson	Lasley	Ness	Rhodes	Tunheim
Anderson, R.	Dehler	Huntley	Leppik	Olson, E.	Rice	Van Dellen
Asch	Delmont	Jacobs	Lieder	Olson, K.	Rodosovich	Vellenga
Battaglia	Dempsey	Jaros	Limmer	Olson, M.	Rukavina	Vickerman
Bauerly	Dorn	Jefferson	Lindner	Onnen	Sarna	Wagenius
Beard	Erhardt	Jennings	Lourey	Opatz	Seagren	Weaver
Bergson	Evans	Johnson, A.	Luther	Orenstein	Sekhon	Wejcman
Bertram	Farrell	Johnson, R.	Lynch	Orfield	Simoneau	Wenzel
Bettermann	Garcia	Johnson, V.	Macklin	Osthoff	Skoglund	Winter
Bishop	Girard	Kahn	Mahon	Ostrom	Smith	Wolf
Blatz	Goodno	Kalis	McCollum	Ozment	Solberg	Worke
Brown, C.	Greenfield	Kelley	McGuire	Pauly	Sparby	Workman
Brown, K.	Greiling	Kelso	Milbert	Pawlenty	Stanius	Spk. Long
Carlson	Gruenes	Kinkel	Molnau	Pelowski	Steensma	
Carruthers	Gutknecht	Klinzing	Morrison	Perlt	Sviggum	
Clark	Hasskamp	Knickerbocker	Mosel	Peterson	Swenson	
Commers	Haukoos	Koppendrayer	Munger	Pugh	Tomassoni	
Cooper	Hausman	Krinkie	Murphy	Reding	Tompkins	

Those who voted in the negative were:

Waltman

The bill was passed and its title agreed to.

S. F. No. 174 which was temporarily laid over earlier today on Special Orders was again reported to the House.

S. F. No. 174, A bill for an act relating to commerce; regulating facsimile transmission of unsolicited advertising materials; providing penalties and remedies; 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 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Asch	Beard	Bettermann	Brown, C.	Carruthers	Cooper
Anderson, I.	Battaglia	Bergson	Bishop	Brown, K.	Clark	Dauner
Anderson, R.	Bauerly	Bertram	Blatz	Carlson	Commers	Davids

Dehler	Hausman	Klinzing	Molnau	Ozment	Simoneau	Wagenius
Delmont	Holsten	Knickerbocker	Morrison	Pauly	Skoglund	Waltman
Dempsey	Hugoson	Koppendrayner	Mosel	Pawlenty	Smith	Weaver
Dorn	Huntley	Krueger	Munger	Pelowski	Solberg	Wejcman
Erhardt	Jacobs	Lasley	Murphy	Perlt	Sparby	Wenzel
Evans	Jaros	Leppik	Nelson	Peterson	Stanisus	Winter
Farrell	Jefferson	Lieder	Ness	Pugh	Steensma	Wolf
Garcia	Jennings	Limmer	Olson, E.	Reding	Swenson	Worke
Girard	Johnson, A.	Lourey	Olson, K.	Rest	Tomassoni	Workman
Goodno	Johnson, R.	Luther	Olson, M.	Rhodes	Tompkins	Spk. Long
Greenfield	Johnson, V.	Lynch	Onnen	Rice	Trimble	
Greiling	Kahn	Macklin	Opatz	Rodosovich	Tunheim	
Gruenes	Kalis	Mahon	Orenstein	Rukavina	Van Dellen	
Gutknecht	Kelley	McCollum	Orfield	Sarna	Vellenga	
Hasskamp	Kelso	McGuire	Osthoff	Seagren	Vickerman	
Haukoos	Kinkel	Milbert	Ostrom	Sekhon		

Those who voted in the negative were:

Krinkie                      Lindner

The bill was passed and its title agreed to.

H. F. No. 1149, A bill for an act relating to the agricultural finance authority; authorizing direct loans and participations; increasing the dollar limit; amending Minnesota Statutes 1992, sections 41B.02, by adding a subdivision; and 41B.043.

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	Dauner	Hausman	Koppendrayner	Mosel	Peterson	Svigum
Anderson, I.	Davids	Holsten	Krinkie	Munger	Pugh	Swenson
Anderson, R.	Dehler	Hugoson	Krueger	Murphy	Reding	Tomassoni
Asch	Delmont	Huntley	Lasley	Nelson	Rest	Tompkins
Bauerly	Dempsey	Jacobs	Leppik	Ness	Rhodes	Trimble
Beard	Dorn	Jaros	Lieder	Olson, E.	Rice	Tunheim
Bergson	Erhardt	Jefferson	Limmer	Olson, K.	Rodosovich	Van Dellen
Bertram	Evans	Jennings	Lindner	Olson, M.	Rukavina	Vellenga
Bettermann	Farrell	Johnson, A.	Lourey	Onnen	Sarna	Wagenius
Bishop	Garcia	Johnson, R.	Luther	Opatz	Seagren	Waltman
Blatz	Girard	Johnson, V.	Lynch	Orenstein	Sekhon	Weaver
Brown, C.	Goodno	Kahn	Macklin	Orfield	Simoneau	Wejcman
Brown, K.	Greenfield	Kalis	Mahon	Orfield	Skoglund	Wenzel
Carlson	Greiling	Kelley	McCollum	Ozment	Smith	Winter
Carruthers	Gruenes	Kelso	McGuire	Pauly	Solberg	Wolf
Clark	Gutknecht	Kinkel	Milbert	Pawlenty	Sparby	Worke
Commers	Hasskamp	Klinzing	Molnau	Pelowski	Stanisus	Workman
Cooper	Haukoos	Knickerbocker	Morrison	Perlt	Steensma	Spk. Long

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

H. F. No. 1529 was reported to the House.

Knickerbocker moved to amend H. F. No. 1529, the second engrossment, as follows:

Page 7, line 31, delete everything after the period

Page 7, delete lines 32 to 36

Page 8, delete line 1

The motion prevailed and the amendment was adopted.

H. F. No. 1529, A bill for an act relating to state government; reviewing the possible reorganization and consolidation of agencies and departments with environmental and natural resource functions; creating a legislative task force; requiring establishment of worker participation committees before possible agency restructuring.

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 122 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hausman	Krueger	Ness	Rest	Tunheim
Anderson, I.	Dauner	Holsten	Lasley	Olson, E.	Rhodes	Van Dellen
Anderson, R.	Dawkins	Huntley	Lieder	Olson, K.	Rice	Vellenga
Asch	Dehler	Jacobs	Limmer	Olson, M.	Rodosovich	Wagenius
Battaglia	Delmont	Jaros	Lourey	Onnen	Rukavina	Waltman
Bauerly	Dempsey	Jefferson	Luther	Opatz	Sarna	Weaver
Beard	Dorn	Jennings	Lynch	Orenstein	Seagren	Wejzman
Bergson	Erhardt	Johnson, A.	Macklin	Orfield	Sekhon	Welle
Bertram	Evans	Johnson, R.	Mahon	Osthoff	Simoneau	Wenzel
Bettermann	Farrell	Johnson, V.	Mariani	Ostrom	Skoglund	Winter
Bishop	Garcia	Kahn	McCollum	Ozment	Smith	Wolf
Blatz	Girard	Kalis	McGuire	Pauly	Solberg	Worke
Brown, C.	Goodno	Kelley	Milbert	Pawlenty	Sparby	Workman
Brown, K.	Greenfield	Kelso	Morrison	Pelowski	Stanius	Spk. Long
Carlson	Greiling	Kinkel	Mosel	Perlt	Steensma	
Carruthers	Gruenes	Klinzing	Munger	Peterson	Tomassoni	
Clark	Gutknecht	Knickerbocker	Murphy	Pugh	Tompkins	
Commers	Hasskamp	Koppendraye	Nelson	Reding	Trimble	

Those who voted in the negative were:

Davids	Hugoson	Leppik	Molnau	Swenson
Haukoos	Krinkie	Lindner	Sviggum	Vickerman

The bill was passed, as amended, and its title agreed to.

S. F. No. 1087, A bill for an act relating to utilities; providing for determination by public utilities commission of competitive rate filings; amending Minnesota Statutes 1992, section 216B.162, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hausman	Krinkie	Munger	Pugh	Tompkins
Anderson, I.	Dauids	Holsten	Krueger	Murphy	Reding	Trimble
Anderson, R.	Dawkins	Hugoson	Lasley	Nelson	Rest	Tunheim
Asch	Dehler	Huntley	Leppik	Ness	Rhodes	Van Dellen
Battaglia	Delmont	Jacobs	Lieder	Olson, E.	Rice	Vellenga
Bauerly	Dempsey	Jaros	Limmer	Olson, K.	Rodosovich	Vickerman
Beard	Dorn	Jefferson	Lindner	Olson, M.	Rukavina	Wagenius
Bergson	Erhardt	Jennings	Lourey	Onnen	Sarna	Waltman
Bertram	Evans	Johnson, A.	Luther	Opatz	Seagren	Weaver
Bettermann	Farrell	Johnson, R.	Lynch	Orenstein	Sekhon	Wejcmán
Bishop	Garcia	Johnson, V.	Macklin	Orfield	Simoneau	Welle
Blatz	Girard	Kahn	Mahon	Osthoff	Skoglund	Wenzel
Brown, C.	Goodno	Kalis	Mariani	Ostrom	Smith	Winter
Brown, K.	Greenfield	Kelley	McCollum	Ozment	Solberg	Wolf
Carlson	Greiling	Kelso	McGuire	Pauly	Stanisus	Worke
Carruthers	Gruenes	Kinkel	Milbert	Pawlenty	Stensma	Workman
Clark	Gutknecht	Klinzing	Molnau	Pelowski	Sviggum	Spk. Long
Commers	Hasskamp	Knickerbocker	Morrison	Perlt	Swenson	
Cooper	Haukoos	Koppendrayar	Mosel	Peterson	Tomassoni	

The bill was passed and its title agreed to.

The Speaker called Rodosovich to the Chair.

S. F. No. 273 was reported to the House.

Tompkins moved that S. F. No. 273 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 306 was reported to the House.

Ozment, Bergson, Delmont, Perlt and Opatz moved to amend S. F. No. 306, the unofficial engrossment, as follows:

Page 3, after line 19, insert:

"Sec. 4. Minnesota Statutes 1992, section 16A.11, is amended by adding a subdivision to read:

Subd. 3b. [CONTRACTS.] The detailed budget estimate must also include the following information on professional and technical services contracts involving departments listed in section 15.01:

- (1) the number and amount of all contracts for each agency for the past biennium;
- (2) the anticipated number and amount of all contracts for each agency for the upcoming biennium; and
- (3) the total value of all contracts from the previous biennium, and the anticipated total value of all contracts for the upcoming biennium.

Sec. 5. [16B.166] [CONTRACT OVERSIGHT BOARD.]

The contract oversight board consists of one person appointed by the speaker of the house, one person appointed by the senate committee on rules and administration, one person appointed by the attorney general, and three persons appointed by the governor. The board shall meet at least quarterly to selectively review professional and technical

service contracts entered into by departments listed in section 15.01 and by the metropolitan council and the metropolitan agencies. The purpose of the review is to assure that the contracting agencies and the commissioner of administration have followed all applicable laws. The board shall give particular emphasis to assuring compliance with laws requiring an agency to certify that: (1) no state or metropolitan employee was able to perform the services called for; and (2) reasonable efforts were made to publicize the availability of the contract. The legislative auditor shall assist the board in its reviews.

Sec. 6. [16B.167] [EMPLOYEE SKILLS INVENTORY.]

The commissioners of employee relations and administration shall develop a list of skills that state and metropolitan agencies commonly seek from professional and technical services contracts as developed through the collective bargaining process.

Sec. 7. Minnesota Statutes 1992, section 16B.17, is amended to read:

16B.17 [CONSULTANTS AND PROFESSIONAL OR TECHNICAL SERVICES.]

Subdivision 1. [TERMS.] For the purposes of this section, ~~the following terms have the meanings given them:~~

~~(a) [CONSULTANT SERVICES.] "Consultant services" "professional or technical services" means services which are intellectual in character; which do not involve the provision of supplies or materials; which include consultation, analysis, evaluation, prediction, planning, or recommendation; and which result in the production of a report or the completion of a task.~~

~~(b) [PROFESSIONAL AND TECHNICAL SERVICES.] "Professional and technical services" means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning, or recommendation.~~

Subd. 2. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND OR TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for ~~consultant services or professional and or~~ technical services the commissioner must determine, at least, that:

- (1) all provisions of section 16B.19 and subdivision 3 of this section have been verified or complied with;
- (2) the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and there is statutory authority to enter into the contract;
- (3) the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;
- (4) no contract, including any amendments and extensions, will extend for more than five years;
- (5) no current state employees will engage in the performance of the contract;
- ~~(5)~~ (6) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract; and
- ~~(6)~~ (7) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed.

Subd. 3. [DUTIES OF CONTRACTING AGENCY.] ~~(a)~~ Before an agency may seek approval of a ~~consultant or professional and or~~ technical services contract valued in excess of \$5,000, it must certify to the commissioner that:

- (1) the agency has publicized the contract by posting notices at employee worksites and has determined that no state employee, including an employee outside the contracting agency, is able to perform the services called for by the contract;
- (2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;

(3) the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of the services will be original in character;

(4) reasonable efforts were made to publicize the availability of the contract;

(5) the agency has received, reviewed, and accepted a detailed work plan from the contractor for performance under the contract; and

(6) the agency has developed, and fully intends to implement, a written plan providing for the assignment of specific agency personnel to a monitoring and liaison function; the periodic review of interim reports or other indications of past performance, and the ultimate utilization of the final product of the services; and

(7) the agency will not allow the contractor to begin work before funds are fully encumbered.

(b) The agency certification must include:

(1) a description as to how the agency complied with paragraph (a), clauses (1) and (4); and

(2) what steps the agency has taken to verify the competence of the proposed contractor.

Subd. 3a. [RENEWALS.] A renewal of a contract must comply with all requirements, including notice, required for the original contract. A renewal contract must be identified as such. All notices and reports on a renewal contract must state the date of the original contract and the amount paid previously under the contract.

Subd. 4. [REPORTS.] (a) The commissioner shall submit to the governor and the legislature legislative reference library a monthly listing of all contracts for ~~consultant services and for professional and or technical services~~ executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also issue quarterly and annual reports summarizing the contract review activities of the department during the preceding quarter.

(b) The monthly, quarterly, and annual reports must:

(1) be sorted by agency and by contractor;

(2) show the aggregate value of contracts issued by each agency and issued to each contractor;

(3) distinguish between original and renewal contracts;

(4) state the termination date of each contract; and

(5) categorize contracts according to subject matter, including topics such as contracts for training, contracts for research and opinions, and contracts for computer systems.

Subd. 5. [CONTRACT TERMS.] A ~~consultant or technical and professional or technical~~ services contract must by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a written report, no more than three copies of the report, one in camera ready form, shall be submitted to the an agency must obtain copies in the most cost efficient manner. One of the copies must be filed with the legislative reference library.

Subd. 6. [REPORTING ON CONTRACTS.] (a) This subdivision applies to contracts entered into by departments listed in section 15.01 that are valued at more than \$3,000 and that:

(1) are subject to review and approval of the commissioner of administration;

(2) are not for supplies or materials; and

(3) involve analysis, evaluation, prediction, planning, or recommendation, or completion of a task that is predominantly intellectual in character.

(b) The terms of the contract must provide that no more than 90 percent of the amount due under the contract may be paid until the chief executive of the agency entering into the contract has:

(1) reviewed the final product; and

(2) certified that the contractor has satisfactorily fulfilled the terms of the contract.

(c) Within 30 days of final completion of a contract covered by this subdivision, the chief executive of the agency entering into the contract must submit a one page statement to the chairs of the appropriate policy and finance committees or divisions in the legislature. The report must:

(1) summarize the purpose of the contract, including why it was necessary to enter into a contract to further the agency's mission;

(2) evaluate the conclusions reached under the contract, and state how these conclusions help the agency to take action to further accomplish its mission; and

(3) state the amount spent on the contract, and explain why this amount was a cost-effective way to enable the agency to provide its services or products better or more efficiently.

Subd. 7. [METROPOLITAN COUNCIL AND AGENCIES.] The metropolitan council and its agencies shall provide by rule conditions for its contracts that are equivalent to the conditions required for state contracts by this section.

Sec. 8. [SPENDING LIMITATIONS ON CONTRACTS.]

During the biennium ending June 30, 1995, the amount spent by a department listed in Minnesota Statutes, section 15.01 from direct-appropriated funds on professional or technical service contracts that are subject to review and approval of the commissioner of administration may not exceed 90 percent of the amount the department spent on these contracts from these funds in the biennium from July 1, 1991 to June 30, 1993. For purposes of this section, professional or technical service contracts are as defined in Minnesota Statutes, section 16B.17, but do not include contracts for highway construction or maintenance."

Delete the title and insert:

"A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; providing for minority representation on the metropolitan council; providing oversight of certain state and metropolitan government contracts; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; 15.066, subdivision 2; 16A.11, by adding a subdivision; 16B.17; and 473.123, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 16B."

The motion prevailed and the amendment was adopted.

S. F. No. 306, A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Battaglia	Bergson	Bishop	Brown, K.	Clark	Dauner
Anderson, R.	Bauerly	Bertram	Blatz	Carlson	Commers	Davids
Asch	Beard	Bettermann	Brown, C.	Carruthers	Cooper	Dawkins

Dehler	Hausman	Klinzing	Morrison	Pawlenty	Skoglund	Waltman
Delmont	Holsten	Koppendrayner	Mosel	Pelowski	Smith	Weaver
Dempsey	Hugoson	Krueger	Munger	Perlt	Solberg	Wejzman
Dorn	Huntley	Lasley	Murphy	Peterson	Sparby	Welle
Evans	Jacobs	Leppik	Nelson	Pugh	Stanis	Wenzel
Farrell	Jaros	Lieder	Ness	Reding	Steensma	Winter
Garcia	Jefferson	Limmer	Olson, E.	Rest	Sviggum	Wolf
Girard	Jennings	Lourey	Olson, K.	Rhodes	Swenson	Worke
Goodno	Johnson, A.	Luther	Olson, M.	Rice	Tomassoni	Workman
Greenfield	Johnson, R.	Lynch	Onnen	Rodosovich	Tompkins	Spk. Long
Greiling	Johnson, V.	Mahon	Opatz	Rukavina	Trimble	
Gruenes	Kahn	Mariani	Orenstein	Sarna	Tunheim	
Gutknecht	Kalis	McCollum	Ostrom	Seagren	Van Dellen	
Hasskamp	Kelley	Milbert	Ozment	Sekhon	Vellenga	
Haukoos	Kinkel	Molnau	Pauly	Simoneau	Wagenius	

Those who voted in the negative were:

Abrams	Erhardt	Knickerbocker	Krinkie	Lindner	Macklin	Vickerman
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The bill was passed, as amended, and its title agreed to.

S. F. No. 639 was reported to the House.

Krinkie moved to amend S. F. No. 639, as follows:

Page 1, after line 19, insert:

"Sec. 2. [STATEWIDE APPLICATION.]

The provisions in section 1 apply to ash produced anywhere in the state."

Page 1, line 20, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 3, after "operated" insert "anywhere in the state and"

The motion did not prevail and the amendment was not adopted.

S. F. No. 639, A bill for an act relating to the environment; providing for the disposal of ash from incinerators operated by the Western Lake Superior Sanitary District; amending Minnesota Statutes 1992, section 458D.07, subdivision 3.

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	Battaglia	Bertram	Brown, C.	Clark	Dauids	Dempsey
Anderson, I.	Bauerly	Bettermann	Brown, K.	Commers	Dawkins	Dorn
Anderson, R.	Beard	Bishop	Carlson	Cooper	Dehler	Erhardt
Asch	Bergson	Blatz	Carruthers	Dauner	Delmont	Evans

Farrell	Jaros	Lasley	Molnau	Ostrom	Sarna	Tunheim
Garcia	Jefferson	Leppik	Morrison	Ozment	Seagren	Van Dellen
Girard	Jennings	Lieder	Mosel	Pauly	Sekhon	Vellenga
Goodno	Johnson, A.	Limmer	Murphy	Pawlenty	Simoneau	Vickerman
Greenfield	Johnson, R.	Lindner	Nelson	Pelowski	Smith	Waltman
Greiling	Johnson, V.	Lourey	Ness	Perlt	Solberg	Weaver
Gruenes	Kalis	Luther	Olson, E.	Peterson	Sparby	Wejzman
Gutknecht	Kelley	Lynch	Olson, K.	Pugh	Stanisus	Welle
Hasskamp	Kelso	Macklin	Olson, M.	Reding	Steensma	Wenzel
Haukoos	Kinkel	Mahon	Onnen	Rest	Sviggum	Winter
Holsten	Klinzing	Mariani	Opatz	Rhodes	Swenson	Wolf
Hugoson	Knickerbocker	McCollum	Orenstein	Rice	Tomassoni	Worke
Huntley	Koppendrayner	McGuire	Orfield	Rodosovich	Tompkins	Workman
Jacobs	Krueger	Milbert	Osthoff	Rukavina	Trimble	Spk. Long

Those who voted in the negative were:

Hausman      Krinkie      Wagenius

The bill was passed and its title agreed to.

S. F. No. 1115 was reported to the House.

Bettermann moved that S. F. No. 1115 be continued on Special Orders. The motion prevailed.

S. F. No. 361 was reported to the House.

Bettermann moved to amend S. F. No. 361, the unofficial engrossment, as follows:

Pages 1 and 2, delete section 2

Page 2, delete lines 11 and 12

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

S. F. No. 361, A bill for an act relating to public safety; extending existence of Minnesota advisory council on fire protection systems; amending Minnesota Statutes 1992, section 299M.02, 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 87 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Battaglia	Bergson	Brown, C.	Carruthers	Dawkins	Evans
Anderson, R.	Bauerly	Bertram	Brown, K.	Clark	Delmont	Farrell
Asch	Beard	Bishop	Carlson	Cooper	Dorn	Garcia

Greenfield	Johnson, R.	Lieder	Munger	Pelowski	Sekhon	Wagenius
Greiling	Kahn	Limmer	Murphy	Perlt	Simoneau	Wejcman
Hasskamp	Kalis	Lourey	Olson, E.	Peterson	Skoglund	Welle
Hausman	Kelley	Luther	Olson, K.	Pugh	Solberg	Wenzel
Huntley	Kelso	Mahon	Opatz	Reding	Sparby	Winter
Jacobs	Kinkel	Mariani	Orenstein	Rhodes	Steensma	Spk. Long
Jaros	Klinzing	McCollum	Orfield	Rice	Tomassoni	
Jefferson	Krueger	McGuire	Osthoff	Rodosovich	Trimble	
Jennings	Lasley	Milbert	Ostrom	Rukavina	Tunheim	
Johnson, A.	Leppik	Mosel	Ozment	Sarna	Vellenga	

Those who voted in the negative were:

Abrams	Dempsey	Holsten	Lynch	Onnen	Swenson	Worke
Bettermann	Erhardt	Hugoson	Macklin	Pauly	Tompkins	Workman
Blatz	Girard	Johnson, V.	Molnau	Pawlenty	Van Dellen	
Commerz	Goodno	Knickerbocker	Morrison	Seagren	Vickerman	
Dauner	Gruenes	Koppendrayner	Nelson	Smith	Waltman	
Davids	Gutknecht	Krinkie	Ness	Stanuis	Weaver	
Dehler	Haukoos	Lindner	Olson, M.	Sviggum	Wolf	

The bill was passed and its title agreed to.

S. F. No. 273 which was temporarily laid over earlier today on Special Orders was again reported to the House.

Osthoff moved to amend S. F. No. 273, the unofficial engrossment, as follows:

Page 3, after line 2, insert:

"Sec. 4. Minnesota Statutes 1992, section 162.09, is amended by adding a subdivision to read:

Subd. 11. [RAMSEY COUNTY STREETS.] Notwithstanding any law or rule to the contrary:

(a) The commissioner of transportation shall increase the allowable municipal state-aid street mileage of each municipality in Ramsey county to accommodate the transfers of jurisdiction required for implementation of the Ramsey county local government services study commission's recommendation for functional consolidation of roadways in its March 1992 report of the Ramsey county local government services study commission.

(b) Notwithstanding paragraph (a), the commissioner shall make no apportionment of municipal state-aid street funds which will result in any municipality receiving a lesser apportionment of such funds than was apportioned to it in calendar year 1993 where the reduction in apportionment is the result of mileage increases under paragraph (a).

Sec. 5. Minnesota Statutes 1992, section 383A.16, subdivision 2, is amended to read:

Subd. 2. [DUTY TO APPROPRIATE FOR MUNICIPAL STREETS; FORMULA FOR APPROPRIATION.] (a) Ramsey county shall appropriate \$100,000 annually and pay it to the municipalities in the county who do not receive municipal state-aid street funds, outside the city of Saint Paul, to aid these municipalities in the construction and maintenance of municipal roads, streets or bridges, appropriate traffic control devices and lighting, and former county roads and county state-aid highways that have been transferred to municipal jurisdiction or town roads as a result of implementation of the recommendation for functional consolidation by the Ramsey county local government services study commission in its March 1992 report of the Ramsey county local government services study commission.

(b) This appropriation shall be apportioned in the following manner:

(a) 70 percent to be prorated to the municipalities in proportion as the number of miles of roads inside, and maintained exclusively by each municipality bears to the total number of miles of roads inside the county and maintained exclusively by all the municipalities; and

~~(b) 30 percent thereof to the municipalities, proportionately, according to the net tax capacity of all property for taxation in the municipalities, and shall be spent on municipal roads, streets, or bridges by the governing body of each municipality by allocating \$8,000 per mile for each mile of former county roads and county state-aid highways received by each municipality. These funds shall be spent on municipal roads, streets, or bridges by the governing body of each municipality.~~

(c) The \$8,000 appropriation shall increase or decrease each year by an amount equal to the overall increase or decrease reflected in the Engineering News Record Index.

(d) Failure to provide the appropriation will result in the cities returning the "turnback roads" to Ramsey county, if the city so chooses.

Sec. 6. Minnesota Statutes 1992, section 383A.16, is amended by adding a subdivision to read:

Subd. 6. [CONDITION OF HIGHWAYS TRANSFERRED.] Ramsey county shall, before transferring any highway jurisdiction under subdivision 2, improve each highway to be transferred to a condition consistent with a Ramsey county pavement management system score of 90.

Sec. 7. Minnesota Statutes 1992, section 383A.16, is amended by adding a subdivision to read:

Subd. 7. [DEFINITION.] For purposes of this section "municipality" means a home rule or statutory city and the town of White Bear.

Sec. 8. [REPEALER.]

Minnesota Statutes 1992, section 383A.16, subdivision 1, is repealed."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Asch moved to amend S. F. No. 273, the unofficial engrossment, as amended, as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, section 219.16, is amended to read:

219.16 [GRADE CROSSING DEFINED.]

The term "grade crossing" as used in this chapter means the intersection of a public highway ~~and~~ or public pedestrian-bicycle trail with the tracks of a railroad, however operated, on the same plane or level, except street railways within city limits."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 273, A bill for an act relating to highways; changing description of legislative Route No. 279 in state trunk highway system after agreement to transfer part of old route to Dakota county.

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	Dauner	Hausman	Krinkie	Murphy	Reding	Trimble
Anderson, I.	Dauids	Holsten	Krueger	Nelson	Rhodes	Tunheim
Anderson, R.	Dawkins	Hugoson	Lasley	Ness	Rice	Van Dellen
Asch	Dehler	Huntley	Lieder	Olson, E.	Rodosovich	Vellenga
Battaglia	Delmont	Jacobs	Limmer	Olson, K.	Rukavina	Vickerman
Bauerly	Dempsey	Jaros	Lindner	Olson, M.	Sarna	Wagenius
Beard	Dorn	Jefferson	Lourey	Onnen	Seagren	Waltman
Bergson	Erhardt	Jennings	Luther	Opatz	Sekhon	Weaver
Bertram	Evans	Johnson, A.	Lynch	Orenstein	Simoneau	Wejzman
Bettermann	Farrell	Johnson, R.	Macklin	Orfield	Skoglund	Wenzel
Bishop	Garcia	Johnson, V.	Mahon	Osthoff	Smith	Winter
Blatz	Girard	Kahn	Mariani	Ostrom	Solberg	Wolf
Brown, C.	Goodno	Kalis	McCollum	Ozment	Sparby	Worke
Brown, K.	Greenfield	Kelley	McGuire	Pauly	Stanius	Workman
Carlson	Greiling	Kelso	Milbert	Pawlenty	Steensma	Spk. Long
Carruthers	Gruenes	Kinkel	Molnau	Pelowski	Sviggum	
Clark	Gutknecht	Klinzing	Morrison	Perlt	Swenson	
Commers	Hasskamp	Knickerbocker	Mosel	Peterson	Tomassoni	
Cooper	Haukoos	Koppendrayser	Munger	Pugh	Tompkins	

The bill was passed, as amended, and its title agreed to.

Speaker pro tempore Rodosovich called Bauerly to the Chair.

S. F. No. 1184 was reported to the House.

Lieder moved that S. F. No. 1184 be temporarily laid over on Special Orders. The motion prevailed.

The Speaker resumed the Chair.

H. F. No. 777, A bill for an act relating to consumers; requiring certain disclosures when consumer reports are used for employment purposes; providing for access to consumer reports; amending Minnesota Statutes 1992, section 13C.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13C; repealing Minnesota Statutes 1992, section 13C.01, 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	Asch	Bergson	Bishop	Carlson	Commers	Dauids
Anderson, I.	Battaglia	Bertram	Brown, C.	Carruthers	Cooper	Dawkins
Anderson, R.	Beard	Bettermann	Brown, K.	Clark	Dauner	Dehler

Delmont	Hugoson	Knickerbocker	McGuire	Osthoff	Sarna	Tunheim
Dempsey	Huntley	Koppendrayner	Milbert	Ostrom	Seagren	Van Dellen
Dorn	Jacobs	Krueger	Molnau	Ozment	Sekhon	Vellenga
Erhardt	Jaros	Lasley	Morrison	Pauly	Simoneau	Vickerman
Evans	Jefferson	Leppik	Mosel	Pawlenty	Skoglund	Wagenius
Farrell	Jennings	Lieder	Murphy	Felowski	Smith	Waltman
Garcia	Johnson, A.	Limmer	Nelson	Perlt	Solberg	Weaver
Girard	Johnson, R.	Lindner	Ness	Peterson	Sparby	Wejzman
Goodno	Johnson, V.	Lourey	Olson, E.	Pugh	Stanius	Welle
Greenfield	Kahn	Luther	Olson, K.	Reding	Steensma	Wenzel
Greiling	Kalis	Lynch	Olson, M.	Rest	Sviggum	Winter
Gutknecht	Kelley	Macklin	Onnen	Rhodes	Svenson	Wolf
Hasskamp	Kelso	Mahon	Opatz	Rice	Tomassoni	Worke
Hausman	Kinkel	Mariani	Orenstein	Rodosovich	Tompkins	Workman
Holsten	Klinzing	McCollum	Orfield	Rukavina	Trimble	Spk. Long

Those who voted in the negative were:

Gruenes            Haukoos            Krinkie

The bill was passed and its title agreed to.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today:

S. F. Nos. 53, 894, 902, 700, 406 and 560; H. F. Nos. 531 and 936; and S. F. Nos. 853, 1320, 751, 441, 826, 1141, 235, 192, 262, 207, 229, 58 and 1036.

#### SPECIAL ORDERS, Continued

Anderson, I., moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

#### GENERAL ORDERS

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

#### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Tuesday, May 11, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Tuesday, May 11, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION – 1993

FIFTY-SIXTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 11, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Captain Mark Martsolf, The Salvation Army, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Dauner	Haukoos	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Davids	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Lasley	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Battaglia	Delmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Luther	Ornen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejzman
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kelley	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelso	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kinkel	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Klinzing	Molnau	Pawlenty	Stanisus	Worke
Commers	Gutknecht	Knickerbocker	Morrison	Pelowski	Steensma	Workman
Cooper	Hasskamp	Koppendrayner	Mosel	Perlt	Sviggum	Spk. Long

A quorum was present.

Kalis was excused until 11:55 a.m.

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.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 7, 1993

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 977, relating to retirement; Minneapolis employees retirement fund; permitting purchase of service credit by a certain member.

H. F. No. 522, relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 7, 1993

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 139, relating to the town of Santiago; authorizing the establishment of a detached banking facility.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1993</i>	<i>Date Filed 1993</i>
	977	95	2:42 p.m. May 7	May 7
	522	96	2:41 p.m. May 7	May 7
913		97	2:50 p.m. May 7	May 7
561		98	2:47 p.m. May 7	May 7
699		99	2:46 p.m. May 7	May 7
1602		100	2:54 p.m. May 7	May 7
754		101	2:48 p.m. May 7	May 7
840		102	2:49 p.m. May 7	May 7
1006		103	2:51 p.m. May 7	May 7
240		105	2:45 p.m. May 7	May 7
	139	106	2:40 p.m. May 7	May 7
487		107	3:20 p.m. May 7	May 7
44		108	2:44 p.m. May 7	May 7

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 690, A bill for an act relating to retirement; public employees retirement association; disability benefits; reducing the reduction in benefits to coordinate them with amounts received under workers' compensation law for certain former employees.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 163, A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 129, A bill for an act relating to marriage dissolution; maintenance; applying child support enforcement actions to actions to enforce maintenance; expanding notice of rights of parties in dissolution or separation proceeding; requiring child support order to assign responsibility for child's medical coverage; clarifying visitation rights; requiring dissolution judgment or decree to provide notice about principal residence; amending Minnesota Statutes 1992, sections 214.101, subdivisions 1 and 4; 518.17, subdivision 3; 518.171, subdivision 1; 518.175, subdivision 6; 518.177; 518.55; 518.551, subdivision 12; 518.583; 518.611, subdivision 2; and 518.641, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 518.

The Senate has appointed as such committee:

Mr. Betzold; Ms. Reichgott and Robertson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 454, A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

The Senate has appointed as such committee:

Ms. Runbeck; Messrs. Riveness and Beckman.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 574, A bill for an act relating to retirement; administrative changes, age discrimination act compliance, death-while-active surviving spouse benefit improvements by the Minnesota state retirement system, the public employees retirement association, and teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, and 7; 352.115, subdivision 8; 352.12, subdivisions 1, 2, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01, subdivisions 3 and 11; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1, 2, and 5; 352B.101; 352B.105; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding subdivisions; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.32, subdivision 1a; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1 and 5a; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivisions 1 and 2; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352D.05, subdivision 5; and 353.656, subdivision 6.

The Senate has appointed as such committee:

Messrs. Stumpf, Riveness, Terwilliger, Morse and Larson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 584, A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.50, subdivision 3; 237.51, subdivision 2; and 237.52, subdivision 2; repealing Laws 1987, chapter 308, section 8.

The Senate has appointed as such committee:

Ms. Johnson, J. B.; Messrs. Marty and Frederickson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 931, A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

The Senate has appointed as such committee:

Messrs. Bertram, Morse and Larson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 988, A bill for an act relating to game and fish; allowing the taking of two deer in designated counties; amending Minnesota Statutes 1992, section 97B.301, subdivisions 2, 4, and by adding a subdivision.

The Senate has appointed as such committee:

Messrs. Stumpf, Lessard and Frederickson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 994, A bill for an act relating to children; foster care and adoption placement; specifying time limits for compliance with placement preferences; setting standards for changing out-of-home placement; requiring notice of certain adoptions; clarifying certain language; requiring compliance with certain law; amending Minnesota Statutes 1992, sections 257.071, subdivisions 1 and 1a; 257.072, subdivision 7; 259.255; 259.28, subdivision 2, and by adding a subdivision; 259.455; 260.012; 260.181, subdivision 3; and 260.191, subdivisions 1a, 1d, and 1e; proposing coding for new law in Minnesota Statutes, chapters 257; and 259.

The Senate has appointed as such committee:

Mr. Spear; Ms. Kiscaden; Messrs. Finn and Knutson, and Ms. Piper.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1039, A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

The Senate has appointed as such committee:

Messrs. Bertram, Stumpf and Dille.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1114, A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; advance of matching funds; financing waterfowl development; defining "undressed bird"; regulating the taking of deer; regulating seasons on muskrat, mink, otter, and beaver; required license to take and condition of fish brought into the state from Canada; authorizing suspension of requirements upon action by Canadian authorities; amending Minnesota Statutes 1992, sections 84.085, by adding a subdivision; 97A.015, subdivision 49, and by adding a subdivision; 97A.045, subdivision 7; 97A.091, subdivision 2; 97A.531; 97B.005, subdivisions 2 and 3; 97B.041; 97B.071; 97B.621, subdivision 1; 97B.911; 97B.915; 97B.921; 97B.925; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

The Senate has appointed as such committee:

Messrs. Berg and Lessard, and Mrs. Pariseau.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1133, A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

The Senate has appointed as such committee:

Ms. Johnson, J. B.; Mr. Novak; Ms. Anderson; Messrs. Dille and Chandler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1151, A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

The Senate has appointed as such committee:

Messrs. Langseth, Stumpf and Berg.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1178, A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for classification of certain tax data; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.317, subdivision 5; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, subdivision 2, and by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding subdivisions; 62J.15, subdivision 1; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivision 2; 62L.02, subdivisions 16, 19, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 2, 3, 4, and 6; 62L.08, subdivisions 4 and 8; 62L.09, subdivision 1; 62L.11, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356; subdivisions 2, 4, and 5; 136A.1357; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.147, subdivision 4; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 144.581, subdivision 2; 151.47, subdivision 1; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9352, subdivision 3; 256.9353; 256.9354, subdivisions 1, 4, and 5; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3, and by adding a subdivision; 256B.04, subdivision 1; 256B.057, subdivisions 1, 2, and 2a; 256B.0625, subdivision 13; 256D.03, subdivision 3; 270B.01, subdivision 8; 295.50, subdivisions 3, 4, 7, 14, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivisions 1, 3, and by adding a subdivision; 295.54; 295.55, subdivision 4; 295.57; 295.58; 295.59; Laws 1990, chapter 591, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapters 16B; 43A; 62A; 62J; 136A; 144; 151; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.15, subdivision 2; 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

The Senate has appointed as such committee:

Ms. Berglin; Mr. Benson, D. D.; Mses. Piper and Kiscaden, and Mr. Luther.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1205, A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

The Senate has appointed as such committee:

Messrs. Kelly and Cohen, and Ms. Pappas.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1585, A bill for an act relating to crime; imposing penalties for a variety of firearms-related offenses; expanding forfeiture provisions; revising and increasing penalties for stalking, harassment, and domestic abuse offenses; providing for improved training, investigation and enforcement of these laws; increasing penalties for and making revisions to certain controlled substance offenses; increasing penalties for crimes committed by groups; increasing penalties and improving enforcement of arson and related crimes; making certain changes to restitution and other crime victim laws; revising laws relating to law enforcement agencies, and state and local corrections agencies; requiring certain counties to establish pretrial diversion programs; revising and increasing penalties for a variety of other criminal laws; clarifying certain provisions for the new felony sentencing system; making technical corrections to sentencing statutes; regulating crimes in certain shopping areas; making knowing transfer of HIV virus a felony; increasing parental liability; limiting right to refuse blood testing; appropriating money; amending Minnesota Statutes 1992, sections 8.16, subdivision 1; 13.87, subdivision 2; 16B.08, subdivision 7; 127.03, subdivision 3; 144.765; 144A.04, subdivisions 4 and 6; 144A.11, subdivision 3a; 144B.08, subdivision 3; 152.01, by adding a subdivision; 152.021, subdivision 3; 152.022, subdivisions 1, 2, and 3; 152.023, subdivisions 2 and 3; 152.024, subdivisions 1 and 3; 152.025, subdivision 3; 152.026; 152.0971, subdivisions 1, 3, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; 152.0974; 152.18, subdivision 1; 168.346; 169.121, subdivision 3a; 169.222, subdivisions 1 and 6; 169.64, subdivision 3; 169.98, subdivision 1a; 214.10, by adding subdivisions; 238.16, subdivision 2; 241.09; 241.26, subdivision 5; 241.67, subdivision 2; 243.166, subdivision 1; 243.23, subdivision 3; 244.01, subdivision 8, and by adding a subdivision; 244.05, subdivisions 1b, 4, 5, and by adding a subdivision; 244.065; 244.101; 244.14, subdivisions 2 and 3; 244.15, subdivision 1; 244.17, subdivision 3; 244.171, subdivisions 3 and 4; 244.172, subdivisions 1 and 2; 260.185, subdivisions 1 and 1a; 260.193, subdivision 8; 260.251, subdivision 1; 299A.35, subdivision 2; 299C.46, by adding a subdivision; 299D.03, subdivision 1; 299D.06; 299F.04, by adding a subdivision; 299F.815, subdivision 1; 388.23, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 401.02, subdivision 4; 473.386, by adding a subdivision; 480.0591, subdivision 6; 480.30; 485.018, subdivision 5; 518B.01, subdivisions 2, 3, 6, 7, 9, and 14; 540.18, subdivision 1; 541.15; 609.02, subdivision 6; 609.0341, subdivision 1; 609.035; 609.05, subdivision 1; 609.06; 609.101, subdivisions 2, 3, and 4; 609.11; 609.135, subdivisions 1, 1a, and 2; 609.1352, subdivision 1; 609.14, subdivision 1; 609.15, subdivision 2; 609.152, subdivisions 1 and 2; 609.175, subdivision 2, and by adding a subdivision; 609.184, subdivision 2; 609.196; 609.224, subdivision 2; 609.229, subdivision 3; 609.251; 609.341, subdivisions 10, 17, 18, and 19; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivisions 2, 2b, and 5; 609.3461; 609.378, subdivision 1; 609.494; 609.495; 609.505; 609.531, subdivision 1; 609.5314, subdivision 1; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.582, subdivision 1a; 609.585; 609.605, subdivision 1, and by adding a subdivision; 609.66, subdivisions 1, 1a, and by adding subdivisions; 609.67, subdivisions 1 and 2; 609.686; 609.71; 609.713, subdivision 1; 609.746, by adding a subdivision; 609.748, subdivisions 1, 2, 3, 5, 6, 8, and by adding subdivisions; 609.79, subdivision 1; 609.795, subdivision 1; 609.856, subdivision 1; 609.891, subdivision 2; 609.902, subdivision 4; 611A.02, subdivision 2; 611A.031; 611A.0315; 611A.04, subdivisions 1, 1a, 3, and by adding a subdivision; 611A.06, subdivision 1; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; 624.711; 624.712, subdivisions 5, 6, and by adding a subdivision; 624.713; 624.7131, subdivisions 1, 4, and 10; 624.7132; 626.05, subdivision 2; 626.13; 626.556, subdivision 10; 626.8451, subdivision 1a; 626A.05, subdivision 1; 626A.06, subdivisions 4, 5, and 6; 626A.10, subdivision 1; 626A.11, subdivision 1; 628.26; 629.291, subdivision 1; 629.34, subdivision 1; 629.341, subdivision 1; 629.342, subdivision 2; 629.72; 631.046, subdivision 1; 631.41; and 641.14; Laws 1991, chapter 279, section 41; Laws 1992, chapter 571, article 7, section 13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 121; 152; 169; 174; 242; 260; 401; 473; 593; 609; 611A; and 624; repealing Minnesota

Statutes 1992, sections 152.0973, subdivision 4; 214.10, subdivisions 4, 5, 6, and 7; 241.25; 609.02, subdivisions 12 and 13; 609.131, subdivision 1a; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; 609.795, subdivision 2; 611A.57, subdivision 1; and 629.40, subdivision 5.

The Senate has appointed as such committee:

Messrs. Kelly and Spear; Meses. Anderson and Ranum, and Mr. McGowan.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1046, A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; authorizing civil and equitable remedies; amending Minnesota Statutes 1992, section 488A.101; proposing coding for new law in Minnesota Statutes, chapter 609.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Ms. Pappas; Mr. Hottinger, and Ms. Kiscaden.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Orenstein 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. 1046. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1074, A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; deletion of land from Moose Lake state recreation area; private use of state trails; appropriating money; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 85.015, by adding a subdivision; 86A.05, subdivision 14; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; 94.343, subdivision 3; 94.348, subdivision 2; and 97A.135, subdivision 2, and by adding a subdivision.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Price, Merriam and Morse.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Sekhon 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. 1074. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1105, A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 245.97, subdivision 6; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; and 157; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Betzold, Hottinger and Oliver.

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

Simoneau 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. 1105. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1275, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue determinations regarding association with a release; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Mondale and Merriam, and Ms. Wiener.

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

Wagenius 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. 1275. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 413, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county; authorizing the conveyance of certain Willmar regional treatment center land to Kandiyohi county.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Janezich, Finn and Novak.

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

Rukavina 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. 413. The motion prevailed.

### SPECIAL ORDERS

S. F. No. 1101, A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing cease and desist orders; providing for penalties; appropriating money; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; and 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

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	Davidson	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, I.	Dawkins	Holsten	Lasley	Neary	Reding	Tompkins
Anderson, R.	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Asch	Delmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Battaglia	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Bauerly	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bergson	Evans	Jennings	Luther	Ornen	Sarna	Wagenius
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bishop	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejman
Blatz	Girard	Kahn	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Goodno	Kelley	McCollum	Ostrom	Smith	Winter
Carlson	Greenfield	Kelso	McGuire	Ozment	Solberg	Wolf
Carruthers	Greiling	Kinkel	Milbert	Pauly	Sparby	Worke
Clark	Gruenes	Klinzing	Molnau	Pawlenty	Stanis	Workman
Commers	Gutknecht	Knickerbocker	Morrison	Pelowski	Steensma	Spk. Long
Cooper	Hasskamp	Koppendrayner	Mosel	Perlt	Sviggum	
Dauner	Haukoos	Krinkie	Munger	Peterson	Swenson	

The bill was passed and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 546, A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 643, A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1620.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1620

A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 8.15; 15.38, by adding a subdivision; 15.50, by adding a subdivision; 15A.083, by adding a subdivision; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 270.063; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; 508.82; 508A.82; and 593.48; Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 129D; 386; and 609; repealing Minnesota Statutes 1992, sections 386.61, subdivision 3; 386.63; 386.64; and 386.70.

May 10, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1620, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1620 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [STATE GOVERNMENT APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1993	1994	1995	BIENNIAL TOTAL
General	\$650,000	\$ 335,939,000	\$ 332,409,000	\$ 668,348,000
Environmental		206,000	206,000	412,000
Highway User		1,669,000	1,669,000	3,338,000
State Government				
Special Revenue		2,378,000	2,378,000	4,756,000
Special Revenue		4,338,000	4,338,000	8,676,000
Trunk Highway		1,032,000	1,032,000	2,064,000
Workers' Compensation		3,897,000	3,902,000	7,799,000
Game and Fish		140,000	140,000	280,000
<b>TOTAL</b>		<b>349,599,000</b>	<b>346,074,000</b>	<b>695,673,000</b>

#### APPROPRIATIONS Available for the Year Ending June 30

1994	1995
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#### Sec. 2. LEGISLATURE

Subdivision 1. Total Appropriation	46,009,000	48,909,000
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#### Summary by Fund

General	45,977,000	48,877,000
Trunk Highway	32,000	32,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.



APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

The second 50 percent of the appropriation to the department of finance for the statewide systems project is available only if the commissioner of finance seeks and receives a recommendation from the legislative commission on planning and fiscal policy on the degree to which the project will improve legislative access to information on the systems. The recommendation is advisory only. Failure of the commission to make a recommendation within 30 days of the commissioner's request shall be considered a negative recommendation. The commissioner shall seek a recommendation no later than October 1, 1993.

The legislative commission on planning and fiscal policy shall appoint a working group to work with the department of finance to facilitate improved legislative access to executive branch budgeting and accounting information that is public data.

## (h) Legislative Commission to Review Administrative Rules

136,000	134,000
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## (i) Legislative Commission on Waste Management

179,000	177,000
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## (j) Legislative Water Commission

99,000	99,000
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The legislative water commission shall report to the legislature by March 1, 1994, on water supply constraints in the area to be served by the Lewis and Clark rural water system. The report shall include the commission's analysis of the environmental and public policy aspects of importing or exporting water from the state.

## (k) Mississippi River Parkway Commission

42,000	32,000
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## Summary by Fund

General	10,000	
Trunk Highway	32,000	32,000

\$10,000 the first year is from the general fund to the Mississippi river parkway commission to study the feasibility of starting an annual "Mississippi river games" competition. The sports event would rotate between the Twin Cities, St. Louis, Memphis, and New Orleans. The study shall consider possible events and potential sources of funding. The study must include methods for ensuring that there will be an approximately equal number of participants of each gender in the games. The commission shall report to the state government divisions of the house and senate by February 1, 1994.

## (l) Legislative Coordinating Commission - General Support

273,000	267,000
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APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

## (m) Legislative Coordinating Commission - Nongeneral Support

463,000

516,000

\$70,000 the first year and \$72,000 the second year are reserved for unanticipated costs of agencies in this subdivision and subdivision 5. The legislative coordinating commission may transfer necessary amounts from this appropriation to the appropriations of the agencies concerned, and the amounts transferred are appropriated to those agencies to be spent by them. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$95,000 the first year and \$99,000 the second year are for the state contribution to the National Conference of State Legislatures.

\$83,000 the first year and \$87,000 the second year are for the state contribution to the Council of State Governments.

\$182,000 the first year and \$233,000 the second year are for the subcommittee on geographic information systems.

\$8,000 the first year and \$8,000 the second year are for the regent candidate advisory council.

\$25,000 the first year and \$15,000 the second year are for the higher education board candidate advisory council.

Notwithstanding Laws 1991, chapter 356, article 9, section 8, the terms of the members of the initial higher education board shall expire as provided by this section. Four of the members appointed by the governor shall have their terms expire in three years, one in five years, and one in seven years from July 1, 1991. One member appointed by each higher education system shall have a term expiring five years from July 1, 1991, and one member appointed by each higher education system shall have a term expiring seven years from July 1, 1991. Members shall choose their terms by lot.

The legislative coordinating commission shall study the feasibility of coordinating television production and other public outreach facilities between the house of representatives and the senate.

The legislative coordinating commission shall study the feasibility of allowing senators whose offices are in the state office building and who are concerned about personal security to park in the state office building parking ramp.

## (n) General Reduction

(141,000)

(142,000)

The legislative coordinating commission shall make a general reduction of \$283,000 in either year of the biennium from the legislative commissions. None of the reduction may be taken from the legislative auditor, the legislative audit commission, or the legislative commission on employee relations.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Subd. 5. Legislative Audit Commission	3,938,000	3,949,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Legislative Audit Commission

	15,000	15,000
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(b) Legislative Auditor

	3,923,000	3,934,000
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\$115,000 the first year and \$115,000 the second year is for review of agency performance reports.

Subd. 6. Compensation Council

The salary increases for legislators and constitutional officers recommended in 1989 by the compensation council to take effect January 6, 1992, must not take effect until January 2, 1995.

A compensation council shall be appointed by September 1, 1993, in the manner provided in Minnesota Statutes, section 15A.082, subdivision 2. The compensation council, in consultation with outside compensation specialists, must evaluate and make recommendations to the senate committee on governmental operations and reform and the house committee on governmental operations and gambling on compensation levels, and procedures for periodically reviewing and adjusting compensation levels, for positions listed in Minnesota Statutes, sections 15A.081, subdivisions 1, 7, and 7b; and 15A.082, subdivision 1. The report must include comparisons with other comparable positions in the public and private sector and consider the nonmonetary rewards of public service. The compensation council expires upon submission of the recommendations required by Minnesota Statutes, section 15A.082, subdivision 3.

Sec. 3. SUPREME COURT

Subdivision 1. Total Appropriation	\$ 18,135,000	\$ 18,135,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Supreme Court Operations

	3,860,000	3,860,000
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\$2,500 the first year and \$2,500 the second year are for a contingent account for expenses necessary for the normal operation of the court for which no other reimbursement is provided.

\$25,000 the first year and \$25,000 the second year are to implement the racial bias task force recommendations.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
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## Subd. 3. Civil Legal Services

	4,507,000	4,507,000
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\$4,507,000 the first year and \$4,507,000 the second year are for legal service to low-income clients and for family farm legal assistance under Minnesota Statutes, section 480.242. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium. A qualified legal services program, as defined in Minnesota Statutes, section 480.24, subdivision 3, may provide legal services to persons eligible for family farm legal assistance under Minnesota Statutes, section 480.242.

## Subd. 4. Family Law Legal Services

	877,000	877,000
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\$877,000 the first year and \$877,000 the second year are to improve the access of low-income clients to legal representation in family law matters and must be distributed under Minnesota Statutes, section 480.242, to the qualified legal services programs described in Minnesota Statutes, section 480.242, subdivision 2, paragraph (a). Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

## Subd. 5. State Court Administration

	7,237,000	7,237,000
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\$75,000 of the appropriation in Laws 1992, chapter 571, article 18, section 8, is available until expended for the advisory task force on the juvenile justice system.

## Subd. 6. Law Library Operations

	1,654,000	1,654,000
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Sec. 4. COURT OF APPEALS	5,700,000	5,700,000
Sec. 5. DISTRICT COURTS	60,423,000	60,423,000
Sec. 6. BOARD OF JUDICIAL STANDARDS	177,000	177,000
Sec. 7. TAX COURT	518,000	515,000
Sec. 8. GOVERNOR AND LIEUTENANT GOVERNOR	3,470,000	3,471,000

This appropriation is to fund the offices of the governor and lieutenant governor.

\$16,000 the first year and \$16,000 the second year are for necessary expenses in the normal performance of the governor's duties for which no other reimbursement is provided.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

\$1,000 the first year and \$1,000 the second year are for necessary expenses in the normal performance of the lieutenant governor's duties for which no other reimbursement is provided.

\$95,000 the first year and \$95,000 the second year are for membership dues of the National Governors Association.

\$20,000 the first year is for the Council of Great Lakes Governors.

During the biennium any seminars or training sessions regarding federal issues for federal budgeting that are conducted by the Washington office shall be made available to legislators and legislative staff. The Washington office shall notify the majority leader and the minority leader of the senate and the speaker and the minority leader of the house of representatives regarding the timing of the seminars.

By August 15 of each year, the commissioner of finance shall report to the chairs of the jobs, energy, and community development finance division of the senate and the state government division of the house of representatives those personnel costs incurred by the office of the governor and the lieutenant governor that were supported by appropriations to other agencies during the previous fiscal year. The office of the governor shall inform the chairs of the divisions before initiating any interagency agreements.

Sec. 9. STATE AUDITOR

7,210,000 7,439,000

\$77,000 the first year and \$77,000 the second year are for an account the auditor may bill for costs associated with conducting single audits of federal funds. During the biennium, this account may be used only when no other billing mechanism is feasible.

The total amount accumulated during the biennium ending June 30, 1993 for potential back pay of salary and benefits for an employee of the state auditor who was discharged from employment on April 15, 1991, but who is contesting the discharge, shall be carried forward by the office of the state auditor for use in the biennium ending June 30, 1995.

\$45,000 each year is for annual compliance audits for Hennepin county.

Sec. 10. STATE TREASURER

2,461,000 2,473,000

\$1,135,000 each year is for the treasurer to pay for banking services by fees rather than by compensating balances.

Sec. 11. ATTORNEY GENERAL

Subdivision 1. Total Appropriation

22,641,000 22,470,000

Summary by Fund

General	20,282,000	20,111,000
Special Revenue	178,000	178,000
Environmental	115,000	115,000
State Government Special Revenue	2,066,000	2,066,000



APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

In order to increase the accountability of all parties and to simplify the current practices for paying for legal services, the attorney general shall establish a task force to review and make recommendations to the legislature regarding funding options to pay for all legal services provided to executive branch agencies. In addition to attorney general staff, members of the task force shall include fiscal staff from both houses of the legislature, staff of the department of finance, and staff from small and large executive branch client agencies. The ability to pay shall not be the only criteria used to allocate legal services. The task force shall study funding options that insure the availability of legal services from the attorney general's office essential to meet program needs of all executive branch agencies. The attorney general shall report the recommendations of the task force to the legislature by March 1, 1994.

Subd. 8. General Reduction

(752,000) (469,000)

The attorney general shall allocate the general reduction among the office's programs.

Sec. 12. INVESTMENT BOARD

2,013,000 2,031,000

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$50,000 the first year and \$50,000 the second year are to evaluate bids for deferred compensation options and to review periodically the performance of companies currently under contract. All these costs must be assessed against the companies that have been awarded contracts.

Sec. 13. ADMINISTRATIVE HEARINGS

3,797,000 3,802,000

This appropriation is from the workers' compensation special compensation fund for considering workers' compensation claims.

\$100,000 each year is for an internship program in which students at Minnesota law schools will serve as law clerks for judges in the workers' compensation division.

\$180,000 each year is for additional clerical support for workers' compensation judges.

Sec. 14. OFFICE OF STRATEGIC AND LONG-RANGE PLANNING

3,576,000 3,596,000

\$844,000 the first year and \$866,000 the second year are for the land management information center.

Sec. 15. ADMINISTRATION

Subdivision 1. Total Appropriation

28,370,000 27,200,000

Summary by Fund

General	24,148,000	22,978,000
Special Revenue	4,160,000	4,160,000
State Government		
Special Revenue	62,000	62,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

## Subd. 2. Operations Management

4,823,000

4,645,000

Before purchasing and implementing electronic data interchange technology in the procurement process, the department must: (1) plan a reengineering of the process and develop a plan for implementing the reengineering; (2) develop policies and procedures on trading partner agreements for the project; (3) complete a life cycle analysis; and (4) develop a technology implementation plan. All plans and policies in this paragraph must be approved by the information policy office before hardware or software for the project is purchased.

The department shall assure that the EDI project is coordinated with the statewide systems project. The department shall involve affected state agencies and others in project planning and implementation.

Amounts appropriated for the EDI initiative may be spent in either year of the biennium.

The department of human services shall transfer \$33,000 each year to the department of administration to expand bulk purchasing of medical supplies for the medical assistance program.

## Subd. 3. Intertechnologies Group

## Summary by Fund

General	3,528,000	2,372,000
Special Revenue	4,160,000	4,160,000

The appropriation from the special revenue fund each year of \$4,160,000 is for recurring costs of 911 emergency telephone service.

\$3,450,000 is appropriated as a loan from the general fund to the intertechnologies revolving fund for development of the STARS system. This amount must be repaid before the end of the biennium. Plans for expenditure of these funds must be approved by the information policy office before the funds are spent.

\$2,000,000 must be transferred from the intertechnology revolving fund to the general fund.

Notwithstanding any other law to the contrary, the commissioner of administration may, with the approval of the commissioner of finance, make loans from an internal service or enterprise fund to another internal service or enterprise fund.

## Subd. 4. Facilities Management

8,850,000

8,860,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$4,485,000 the first year and \$4,484,000 the second year are for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space.

\$150,000 the first year is to pay the department's portion of the settlement in *Sylvester Brothers, v. Burlington Northern, et al.*, for cleanup of the East Bethel landfill. The unobligated balance of the appropriation in Laws 1991, chapter 345, article 1, section 17, subdivision 4, for agency relocation, consolidation, and colocation, is canceled to the general fund.

The decision of the department of administration to deposit a March 1992 check from the Johns Manville Trust in the amount of \$302,749 in the asbestos abatement account in the state building fund is ratified.

Subd. 5. Administrative Management

Summary by Fund

General	4,603,000	4,656,000
Special Revenue	62,000	62,000

\$2,000 the first year and \$2,000 the second year are for the state employees' band.

A biennial appropriation of \$124,000 to the commissioner of administration shall be used for processing and oversight of grants and allocations in the oil overcharge program. This appropriation is from oil overcharge money, as defined in Minnesota Statutes, section 4.071, in the special revenue fund.

\$1,271,000 the first year and \$1,272,000 the second year are for matching grants for public television.

\$600,000 the first year and \$600,000 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota public television association. Special emphasis shall be given by public television grant recipients for children's programming such as the Sesame Street preschool educational program and extending Mr. Rogers Neighborhood to child care.

\$300,000 the first year and \$300,000 the second year are for operational grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 129D.14.

\$356,000 the first year and \$331,000 the second year are for equipment grants to public radio stations. These grants must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994	1995
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\$25,000 the first year and \$25,000 the second year are for grants to the Twin Cities regional cable channel.

If an appropriation for either year for grants to public television or radio stations is not sufficient, the appropriation for the other year is available for it.

\$80,000 each year is for transfer to the bureau of mediation services for the office of dispute resolution.

All grants made by the System of Technology to Achieve Results (STAR) shall be distributed in a manner to ensure that grants are awarded throughout the state.

Subd. 6. Management Analysis

535,000	609,000
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The management analysis division shall study the desirability of creating an independent information policy office. The division shall report its findings to the legislative commission on planning and fiscal policy by December 1, 1993. The commission shall make recommendations for any needed legislative changes to the house of representatives and senate governmental operations committees by February 1, 1994.

Subd. 7. Information Policy Office

1,809,000	1,836,000
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\$181,000 the first year and \$185,000 the second year must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A, in order to fund the intergovernmental information systems advisory council.

\$115,000 the first year and \$90,000 the second year are for giving opinions under Minnesota Statutes, section 13.072.

Sec. 16. CAPITOL AREA ARCHITECTURAL AND  
PLANNING BOARD

326,000	334,000
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Any unencumbered balance of the appropriation for the first year does not cancel and is available for use in the second year.

\$75,000 the first year and \$82,000 the second year are to create a memorial to Hubert H. Humphrey in the capitol area. Of these amounts, up to \$75,000 may be used by the board to select an appropriate site for the memorial. \$82,000 is available only as matched, one state dollar for three dollars, by contributions from nonstate sources. The board shall establish design requirements, choose the design, and oversee construction of the memorial. In establishing the memorial, the board may accept money from nonstate sources and contract with other private or public agencies. The appropriation is available until expended.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 17. FINANCE

Subdivision 1. Total Appropriation	24,527,000	16,662,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Economic Analysis

289,000	300,000
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Subd. 3. Accounting Services

19,303,000	12,711,000
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\$4,640,000 the first year and \$3,869,000 the second year are to implement the accounts receivable project. The commissioner of finance may transfer money to the commissioners of human services and revenue and the attorney general. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$10,300,000 the first year and \$4,700,000 the second year are for the statewide systems project. If the appropriation for the statewide systems project in either year is insufficient, the appropriation for the other year is available. The commissioner of finance shall report monthly during the biennium ending June 30, 1995, to the chairs of the senate finance committee and the house of representatives ways and means committee on the expenditure of this appropriation and the progress of the statewide systems project.

\$285,000 is for transfer by August 1, 1993, to the legislative commission on planning and fiscal policy for the purpose of improving legislative access to executive branch budgeting and accounting information. None of the other money appropriated in this section for the statewide systems project may be spent until the transfer to the legislative commission on planning and fiscal policy has occurred.

The budgeting and accounting portions of the statewide systems project must be designed so that all public data in these systems are available to the legislature at the time the data are available to executive branch agencies.

The commissioner of finance, in consultation with affected agencies, shall reengineer work processes in preparation for the new state accounting, purchasing, and personnel systems.

The commissioner shall develop a joint work plan with the department of administration to implement electronic data interchange. The commissioner shall prepare plans for migrating to open systems, and shall develop plans for an automated interface with the local government financial system. The commissioner must submit these plans to the information policy office for review and approval.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

## Subd. 4. Budget Analysis and Operations

2,089,000

2,147,000

By October 1, 1994, the commissioner of finance shall coordinate the preparation of a report which identifies the estimated direct and indirect budget savings anticipated from the enacted funding of investment initiatives within the fiscal year 1994-1995 budget. The report shall identify current and estimated future funding requirements as well as direct and indirect benefits by year covering the current and two future biennia. The commissioner shall subsequently report to the legislative commission on planning and fiscal policy by November 1 of each year documented costs and savings compared to original estimates. Each agency shall retain responsibility for monitoring and documenting savings. If actual savings and benefits vary from original estimates, the report must include agency plans to ensure ongoing savings.

## Subd. 5. Cash and Debt Management

1,544,000

126,000

\$1,422,000 the first year is for grants to the cities of Minneapolis and St. Paul for debt service payments due on bonds issued for metropolitan area parks.

## Subd. 6. Management and Administrative Services

1,302,000

1,378,000

## Sec. 18. EMPLOYEE RELATIONS

## Subdivision 1. Total Appropriation

8,059,000

7,932,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

## Subd. 2. Human Resources Management

6,439,000

6,424,000

Thirty percent of the amount used each year to fund grants to the government training service is from the general fund. Seventy percent of the amount used each year to fund grants to the government training service must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A.

In order to maximize the delivery of services to the public, if layoffs of state employees as defined in Minnesota Statutes, chapter 43A, are necessary during the biennium ending June 30, 1995, the agency shall make every effort to reduce at least the same percentage of management and supervisory personnel as line and support personnel.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

State agencies must demonstrate that they cannot use available staff before hiring outside consultants or services. As state agencies implement reductions in their operating budgets in the biennium ending June 30, 1995, agencies shall give priority to reducing spending on professional and technical contracts before laying off permanent employees. Agencies must report on the specific manner in which this directive is implemented to the senate finance and house ways and means committees by February 1, 1994, and February 1, 1995. Where outside consultants and services are necessary, agencies are encouraged to negotiate contracts that will involve permanent staff so as to upgrade and maximize training of state personnel. Money spent on outside consultants must be reported by February 1, 1995, to the senate finance and house of representatives ways and means committees.

\$375,000 the first year and \$370,000 the second year is to begin implementation of the human resource management project recommendations regarding performance management system training, retraining project grants, centralized recruitment and redeployment, communications, and policy development.

The commissioner shall seek to enhance the availability of the job-sharing program under Minnesota Statutes, sections 43A.40 to 43A.46 to the extent that: (1) additional employees wish to participate in the program; and (2) use of the program is consistent with effective management of state agencies.

Subd. 3. Employee Insurance

1,620,000

1,508,000

\$104,000 the first year and \$104,000 the second year from the general fund are for the right-to-know contracts administered through the employee insurance division.

Any refund to the state from the workers' compensation reinsurance association before July 1, 1995, is to be deposited in the general fund. The portion of the refund that is not attributable to the general fund shall be paid to the proper fund by the commissioner of finance.

\$1,416,000 the first year and \$1,312,000 the second year from the general fund are for workers' compensation reinsurance premiums.

\$100,000 each year is for a health promotion and disease prevention grant program for state agencies. A state agency may apply to the commissioner of employee relations for a grant of up to \$25,000. In evaluating grant applications, the commissioner shall give highest priority to proposals that will maximize health care cost savings, maximize increased productivity, and minimize workers compensation claims. Each agency that receives a grant under this section must establish a committee that includes affected employees. The committee must assist the agency in planning, implementing, and evaluating the programs implemented with grant funds. The commissioner of employee relations must report to the legislature by January 15, 1996. The report must evaluate the results of the grant program, including the effect of the program on health care costs, workers' compensation claims, and productivity.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 19. REVENUE

Subdivision 1. Total Appropriation 73,531,000 74,087,000

Summary by Fund

General	71,446,000	72,002,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Income Tax System

36,208,000 36,643,000

\$3,100,000 each year is to improve direct services to taxpayers, expand individual and small business audit and nonfiler detection, and to provide ongoing development and support for new return filing and payment technologies.

Subd. 3. Withholding Tax System

5,651,000 5,639,000

Subd. 4. Sales and Use Tax System

25,519,000 25,637,000

Summary by Fund

General	23,459,000	23,577,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000
Local Government Trust	300,000	300,000

Subd. 5. Property Tax System

6,128,000 6,143,000

\$55,000 the first year and \$55,000 the second year must be subtracted from the total taconite production tax revenues distributed to local units of government. These amounts shall be credited to the general fund and appropriated to the department of revenue for the costs and expenses incurred by the department in collecting and distributing taconite production tax revenues.

Subd. 6. Reporting

The commissioner shall report quarterly to the chairs of the senate finance and tax committees and house of representatives ways and means and tax committees and to the commissioner of finance on all funds expended and corresponding revenues received in the audit and collection divisions.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 20. AMATEUR SPORTS COMMISSION	451,000	451,000
<p>\$15,000 each year is available for promotion of women's sports.</p>		
Sec. 21. COMMISSIONER OF HUMAN RIGHTS	3,211,000	3,171,000
<p>For 1993 - \$150,000</p> <p>This appropriation is to pay workers' compensation claims.</p> <p>Of this appropriation, \$40,000 is for enhancement of information systems. Before purchasing hardware and software, the department shall develop an agencywide strategic information plan and submit the plan to the information policy office for review and approval. The department shall use the plan to determine future system management needs, including administration, software project management, support staffing, and information asset security. The department shall develop a project information system life cycle analysis to identify costs, benefits, and risks, and a comprehensive records retention schedule for paper and electronic records. With the approval of the information policy office, the balance of the \$40,000 appropriation not needed for analysis of information management functions, can be used by the department to purchase hardware and software.</p>		
Sec. 22. MILITARY AFFAIRS		
Subdivision 1. Total Appropriation	9,248,000	9,249,000
<p>The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.</p>		
Subd. 2. Maintenance of Training Facilities		
	5,361,000	5,362,000
<p>The appropriation for planning and remodeling grants for 12 armories scheduled to be sold or disposed of pursuant to Laws 1992, chapter 511, article 2, section 50, is available until June 30, 1995.</p>		
Subd. 3. General Support		
	1,537,000	1,537,000
<p>\$75,000 the first year and \$75,000 the second year are for expenses of military forces ordered to active duty under Minnesota Statutes, chapter 192. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.</p>		
Subd. 4. Enlistment Incentives		
	2,350,000	2,350,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

\$1,530,750 the first year and \$1,604,250 the second year are for the tuition reimbursement program.

\$484,250 the first year and \$410,750 the second year are for the reenlistment bonus program.

Obligations for the reenlistment bonus program, suspended on December 31, 1991, shall be paid from the amounts available within the entire enlistment incentives program.

If appropriations for either year of the biennium are insufficient, the appropriation from the other year is available. The appropriations for enlistment incentives are available until expended.

Sec. 23. VETERANS AFFAIRS

3,103,000

3,119,000

Of this appropriation, \$310,000 is for grants to county veterans offices for training of county veterans service officers.

\$1,048,000 the first year and \$1,048,000 the second year are for emergency financial and medical needs of veterans. For the biennium ending June 30, 1995, the commissioner shall limit financial assistance to veterans and dependents to six months, unless recipients have been certified as ineligible for other benefit programs. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

With the approval of the commissioner of finance, the commissioner of veterans affairs may transfer the unencumbered balance from the veterans relief program to other department programs during the fiscal year. The commissioner of veterans affairs shall provide background information explaining why the unencumbered balance exists. The amounts transferred must be identified to the chairs of the senate finance committee division on state government and the house governmental operations and gambling committee division on state government finance.

\$250,000 the first year and \$250,000 the second year are for a grant to the Vinland National Center.

Sec. 24. VETERANS OF FOREIGN WARS

31,000

31,000

For carrying out the provisions of Laws 1945, chapter 455.

Sec. 25. MILITARY ORDER OF THE PURPLE HEART

10,000

10,000

Sec. 26. DISABLED AMERICAN VETERANS

12,000

12,000

For carrying out the provisions of Laws 1941, chapter 425.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 27. STATE-PAID INSURANCE SUPPLEMENT

Subdivision 1. Appropriations 4,890,000 4,890,000

Except as limited by the direct appropriations in this section, the amounts necessary to pay increases in employer-paid insurance benefits during the biennium are appropriated to the commissioner of finance from the various funds in the state treasury from which salaries are paid. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make those reimbursements are also appropriated.

Summary by Fund

General	3,750,000	3,750,000
Game and Fish	140,000	140,000
Trunk Highway	1,000,000	1,000,000

Subd. 2. Increases Covered

The state-paid insurance benefit increases covered by this section are those paid to classified and unclassified employees and officers in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota historical society, state university system, and community college system who are paid from state appropriations. The increases must be authorized by current law, be authorized by appropriate resolutions for employees of the legislature, or result from collective bargaining agreements and changes in employer-paid insurance benefits associated with those agreements which are given interim approval by the legislative commission on employee relations under Minnesota Statutes, sections 3.855 and 43A.18, or 179A.22, subdivision 4.

By January 1, 1994, the commissioner of employee relations must estimate any increases covered by this section and certify the amount necessary for each agency. During the biennium, the commissioner of finance shall transfer the necessary amounts to the proper accounts and shall promptly notify the house of representatives ways and means committee and the senate finance committee of the amount transferred to each appropriation account. If the appropriated amounts are insufficient, the commissioner of finance shall proportionally allocate available funding among agencies. Any appropriation balance remaining the first year does not cancel, but is available for the second year.

Sec. 28. GENERAL CONTINGENT ACCOUNTS 550,000 550,000

Summary by Fund

General	200,000	200,000
Special Revenue	250,000	250,000
Workers' Compensation	100,000	100,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

The appropriations in this section must be spent with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

The special revenue appropriation is available to be transferred to the attorney general when the costs to provide legal services to the health boards exceed the biennial appropriation to the attorney general from the special revenue fund. The boards receiving the additional services shall set their fees to cover the costs.

Sec. 29. TORT CLAIMS

300,000 300,000

To be spent by the commissioner of finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 30. MINNESOTA STATE RETIREMENT SYSTEM

2,200,000 2,200,000

The amounts estimated to be needed for each program are as follows:

(a) Legislators

2,000,000 2,000,000

Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.11.

(b) Constitutional Officers

200,000 200,000

Under Minnesota Statutes, sections 352C.031, subdivision 5; 352C.04, subdivision 3; and 352C.09, subdivision 2.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 31. MINNEAPOLIS EMPLOYEES RETIREMENT FUND

11,005,000 11,005,000

\$10,455,000 the first year and \$10,455,000 the second year are to the commissioner of finance for payment to the Minneapolis employees retirement fund under Minnesota Statutes, section 422A.101, subdivision 3. Payment must be made in four equal installments, March 15, July 15, September 15, and November 15, each year.

\$550,000 the first year and \$550,000 the second year are to the commissioner of finance for payment to the Minneapolis employees retirement fund for the supplemental benefit for pre-1973 retirees under Minnesota Statutes, section 356.865.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 32. POLICE AND FIRE AMORTIZATION AID	3,970,000	6,055,000

\$3,417,000 the first year and \$5,055,000 the second year are to the commissioner of revenue for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, under Minnesota Statutes, section 423A.02. The reduction of \$2,085,000 the first year from amounts otherwise payable as amortization aid and supplemental amortization aid is due to excess investment earnings by the Minneapolis police and fire relief associations and reduces the aid apportionment otherwise payable to the city of Minneapolis on July 15, August 31, September 15, and November 15, 1993.

\$553,000 the first year and \$1,000,000 the second year are to the commissioner of revenue for supplemental state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations under Minnesota Statutes, section 423A.02, subdivision 1a.

Sec. 33. [BASE CUT TRANSFERS.]

For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.

Sec. 34. [3.196] [AUDITS.]

The house of representatives and the senate shall each contract with the state auditor or a certified public accountant to perform an audit at least biennially.

Sec. 35. Minnesota Statutes 1992, section 3.971, is amended by adding a subdivision to read:

Subd. 3. The legislative auditor, on a biennial schedule, shall review agency performance reports to review and comment on the appropriateness, validity, and reliability of the outcome measures and data collection efforts. The legislative auditor shall report the findings to agencies, the governor, the speaker of the house of representatives, and the president of the senate.

Sec. 36. Minnesota Statutes 1992, section 8.15, is amended to read:

8.15 [ATTORNEY GENERAL COSTS.]

The attorney general in consultation with the commissioner of finance shall assess executive branch agencies a fee for legal services rendered to them, except that the attorney general may not assess the department of human rights for legal representation on behalf of complaining parties who have filed a charge of discrimination with the department. The assessment against appropriations from other than the general fund must be the full cost of providing the services. The assessment against appropriations supported by fees must be included in the fee calculation. The assessment against appropriations from the general fund not supported by fees must be one-half of the cost of providing the services. An amount equal to the general fund receipts in the even-numbered year of the biennium is appropriated to the attorney general for each year of the succeeding biennium. All other receipts from assessments must be deposited in the state treasury and credited to the general fund.

The attorney general in consultation with the commissioner of finance shall assess political subdivisions fees to cover half the cost of legal services rendered to them; except that the attorney general may not assess a county any fee for legal services rendered in connection with a psychopathic personality commitment proceeding under section 526.10 for which the attorney general assumes responsibility under section 8.01.

## Sec. 37. [11A.075] [DISCLOSURE OF EXPENSE REIMBURSEMENT.]

(a) A member or employee of the state board must annually disclose expenses paid for or reimbursed by: (1) each investment advisor, consultant, or outside money manager under contract to the state board; (2) each investment advisor, consultant, or outside money manager that has bid on a contract offered by the state board during that year; and (3) each business, including officers or employees of the business, in which the state board has invested money under the board's control during the annual reporting period. The disclosure requirement of this paragraph does not apply to expenses or reimbursements from an investment advisor, consultant, money manager or business if the board member or employee received less than \$50 during the annual reporting period from that person or entity.

(b) For purposes of this section, expenses include payments or reimbursements for meals, entertainment, transportation, lodging, and seminars.

(c) The disclosure required by this section must be filed with the ethical practices board by April 15 each year. Each disclosure report must cover the previous calendar year. The statement must be on a form provided by the ethical practices board. An individual who fails to file the form required by this section or who files false information, is subject to penalties specified in sections 10A.09 and 10A.10.

## Sec. 38. [13.072] [OPINIONS BY THE COMMISSIONER.]

Subdivision 1. [OPINION; WHEN REQUIRED.] (a) Upon request of a state agency, statewide system, or political subdivision, the commissioner may give a written opinion on any question relating to public access to government data, rights of subjects of data, or classification of data under this chapter or other Minnesota statutes governing government data practices. Upon request of any person who disagrees with a determination regarding data practices made by a state agency, statewide system, or political subdivision, the commissioner may give a written opinion regarding the person's rights as a subject of government data or right to have access to government data. If the commissioner determines that no opinion will be issued, the commissioner shall give the state agency, statewide system, political subdivision, or person requesting the opinion notice of the decision not to issue the opinion within five days of receipt of the request. If this notice is not given, the commissioner shall issue an opinion within 20 days of receipt of the request. For good cause and upon written notice to the person requesting the opinion, the commissioner may extend this deadline for one additional 30-day period. The notice must state the reason for extending the deadline. The state agency, statewide system, or political subdivision must be provided a reasonable opportunity to explain the reasons for its decision regarding the data. The commissioner or the state agency, statewide system, or political subdivision may choose to give notice to the subject of the data concerning the dispute regarding the data.

(b) This section does not apply to a question involving the exercise of a discretionary power specifically granted by statute to a responsible authority to withhold or grant access to government data in a manner different than the data's general statutory classification.

(c) A written opinion issued by the attorney general shall take precedence over an opinion issued by the commissioner under this section.

Subd. 2. [EFFECT.] Opinions issued by the commissioner under this section are not binding on the state agency, statewide system, or political subdivision whose data is the subject of the opinion, but must be given deference by a court in a proceeding involving the data. The commissioner shall arrange for public dissemination of opinions issued under this section. This section does not preclude a person from bringing any other action under this chapter or other law in addition to or instead of requesting a written opinion. A state agency, statewide system, political subdivision, or person that acts in conformity with a written opinion of the commissioner is not liable for compensatory or exemplary damages or awards of attorneys fees in actions under section 13.08 or for a penalty under section 13.09.

Subd. 3. [FEE.] A state agency, statewide system, or political subdivision that requests an opinion must pay a fee of \$200 for each request.

## Sec. 39. [15.90] [PURPOSE.]

The purposes of sections 15.90 to 15.92 are:

(1) to generate information so that the legislature can determine the extent to which state programs are successful;

(2) to develop clear goals and priorities for state programs;

(3) to strengthen accountability to Minnesotans by providing a record of state government's performance in providing effective and efficient services; and

(4) to create appropriate incentives and systems that will allow and encourage the best work by state employees.

Sec. 40. [15.91] [PERFORMANCE REPORTING FOR AGENCIES OF STATE GOVERNMENT.]

Subdivision 1. [DEFINITION.] For purposes of sections 15.90 to 15.92, "agency" means a department or agency, as designated in section 15.01.

Subd. 2. [PERFORMANCE REPORTS.] (a) Each agency shall develop a performance report for its operations. The report shall include each of the following items or an explanation of why an item does not apply to the agency:

(1) a statement of the mission, goals, and objectives of the agency including those set forth in statute;

(2) measures and goals of the output and outcome of the agency;

(3) identification of priority and other service populations, or other service measures, under current law and how those populations are expected to change within the period of the report;

(4) plans for how outcome information can be used as an incentive for improving state programs and program outcomes;

(5) requests for statutory flexibility needed to reach outcome goals;

(6) explanation of outcome information that could be available with new data collection systems; and

(7) other information that may be required.

The goals required under clause (1): (i) must be simple declarative statements of intent; (ii) should carry benchmarks for accomplishment; and (iii) should be specific enough so citizens can measure progress year to year.

(b) Each agency shall issue a draft report by November 1, 1993, a first annual report by September 1, 1994, and annual updated reports no later than September 1 of each year beginning in 1995. A report must cover a period of four years previous and two years in the future from the date that it is required to be issued, including previous forecasts versus actual measures.

(c) Each agency shall send a copy of each report issued to the governor, the speaker of the house of representatives, the president of the senate, the legislative commission on planning and fiscal policy, the legislative auditor, the commissioner of finance, and two copies to the legislative reference library.

(d) The legislative auditor shall review the drafts and give comments to agencies and the legislature before September 1, 1994, and shall review and give comments on annual reports on a rotating biennial schedule.

(e) State agency reports shall be compiled as required in this paragraph. The commissioner of finance, in consultation with the commissioner of administration, the legislative commission on planning and fiscal policy, and the finance committees and divisions of the house of representatives and senate, shall:

(1) develop forms and instructions for the use of the agencies in the preparation of their reports;

(2) work with individual agencies to determine acceptable measures of workload, output, and outcome for use in reports; and

(3) request any needed additional information concerning any agency report submitted.

Each agency shall include citizens, agency clients, consumer and advocacy groups, worker participation committees, managers, elected officials, and contractors in its planning.

Sec. 41. [15.92] [WORKER PARTICIPATION COMMITTEES.]

(a) In the development of outcome measures and incentive programs, each agency shall create a committee including representatives of employees and employers. The committee must be given adequate time to perform the functions prescribed in paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.

(b) A committee established under paragraph (a) shall:

(1) identify other employer and employee issues related to improving the delivery of the agency's program and services;

(2) identify barriers to the effective and efficient delivery of services;

(3) participate in the development of the agency's outcome measures and incentive programs; and

(4) meet as desired for the purpose of developing solutions to problems shared by employees and employer within the agency.

Sec. 42. Minnesota Statutes 1992, section 15A.083, is amended by adding a subdivision to read:

Subd. 8. [LIMITS ON BONUS PAYMENTS.] Notwithstanding any law to the contrary, an employee of the state lottery or of a public corporation or nonprofit corporation created by law may not receive bonus payments in any year that exceed ten percent of the employee's base salary for that year. For purposes of this section, bonus payments include any combination of merit pay, achievement awards, or any other cash payments in addition to base salary, other than severance pay or overtime or holiday pay. Groups covered by this section include, but are not limited to, the Workers' Compensation Reinsurance Association, the Minnesota Insurance Guaranty Association, the Fair plan, the Joint Underwriters Association, the Minnesota Joint Underwriters Association, the Life and Health Guaranty Association, the Minnesota Comprehensive Health Association, the Minnesota State High School League, Minnesota Technology, Inc., Agricultural Utilization Research Institute, Minnesota Project Outreach Corporation, State Fund Mutual Insurance Company, the World Trade Center Corporation, and the State Agricultural Society. This section does not give any entity authority to grant a bonus not otherwise authorized by law.

Sec. 43. Minnesota Statutes 1992, section 16A.011, subdivision 5, is amended to read:

Subd. 5. [APPROPRIATIONS WAYS AND MEANS COMMITTEE.] "Appropriations Ways and means committee" means the appropriations chief fiscal committee of the house of representatives.

Sec. 44. Minnesota Statutes 1992, section 16A.011, subdivision 6, is amended to read:

Subd. 6. [BIENNIUM.] "Biennium" means a period of two consecutive fiscal years beginning in an odd-numbered calendar year and ending in the next odd-numbered calendar year. On July 1, 1984, the current biennium is the 1983-1985 biennium.

Sec. 45. Minnesota Statutes 1992, section 16A.011, subdivision 14, is amended to read:

Subd. 14. [FISCAL YEAR.] "Fiscal year" means the period beginning at midnight between June 30 and July 1 and ending 12 months later. On July 1, 1984, the current fiscal year is 1985.

Sec. 46. Minnesota Statutes 1992, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. [TO PREPARE, CONSULT, SUPERVISE.] The commissioner shall prepare the biennial budget with four year projections on of revenues and expenditures for both the biennial budget period and the biennium following the biennial budget period. The governor shall supervise the preparation unless there is a governor-elect, who then shall provide the supervision.

Sec. 47. Minnesota Statutes 1992, 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;
- (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 maintain 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~~ of even-numbered years, on progress made.

Sec. 48. Minnesota Statutes 1992, section 16A.06, subdivision 4, is amended to read:

Subd. 4. [~~OBJECTIVES REPORTING AGENCY PERFORMANCE.~~] ~~The commissioner from time to time shall require each executive agency to write objectives on the department's form for its authorized activities and functions. The objectives must be specific as to amount and time so that their performance can be measured. The objectives must cover the current and the next biennium. Executive agencies shall prepare performance-based budget plans according to schedules, forms, and standards as established by the commissioner. The commissioner may also require other periodic reports of agency performance.~~

Sec. 49. Minnesota Statutes 1992, section 16A.065, is amended to read:

16A.065 [PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.]

Despite Notwithstanding section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for sole source maintenance agreements where it is not ~~cost effective~~ cost-effective to pay in arrears, for exhibit booth space rental when required by the renter to guarantee the availability of space, for registration fees where advance payment is required or advance payment discount is provided, and for newspaper, magazine, and other subscription fees customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 50. Minnesota Statutes 1992, section 16A.10, subdivision 1, is amended to read:

Subdivision 1. [~~BY MAY 1 AND SEPTEMBER 1 BUDGET FORMAT.~~] In each even-numbered calendar year the commissioner shall prepare the budget forms and instructions for all agencies, subject to the approval of the governor. The commissioner shall consult with request and receive advisory recommendations from the chairs of the senate finance committee and house of representatives appropriations ways and means committee, as well as their respective division chairs, before adopting a format for the biennial budget document. By May 1 June 15, the commissioner shall send the proposed budget forms to the appropriations and finance committees. The committees have until June 1 July 15 to give the commissioner their advisory recommendations on possible improvements. By September 1, the commissioner shall send each agency enough forms to make its budget estimates. To facilitate this consultation, the commissioner shall establish a working group consisting of executive branch staff and designees of the chairs of the senate finance and house of representatives ways and means committees. The commissioner must involve this group in all stages of development of budget forms and instructions. The forms budget format must show actual expenditures and receipts for the two most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium, and an estimated appropriation balance at the end of the current fiscal year. Estimated expenditures must be classified by funds and character of expenditures and may be subclassified by programs and activities. Agency revenue estimates must show how the estimates were made and what factors were used. Receipts must be classified by funds, programs, and activities. Expenditure and revenue estimates must be based on the law in existence at the time the estimates are prepared.

Sec. 51. Minnesota Statutes 1992, section 16A.10, subdivision 2, is amended to read:

Subd. 2. [BY OCTOBER ~~1~~ 15 AND NOVEMBER ~~15~~ 30.] By October ~~1~~ 15 of each even-numbered year, an agency must file the following with the commissioner:

- (1) ~~its budget and departmental earnings estimates for the most recent and current fiscal years;~~
- (2) ~~its upcoming biennial budget and departmental earnings estimates;~~
- (3) ~~a comprehensive and integrated statement of agency missions and outcome and performance measures; and~~
- (4) ~~a concise explanation of any requests for increased appropriations, expansion planned changes in the level of services, or new activities;~~
- (3) ~~a statement of work done during the current biennium and proposed for the next biennium; and~~
- (4) ~~a list of each employee's name, title, and salary.~~

The commissioner shall prepare and file the budget estimates for an agency failing to file them. By November ~~15~~ 30, the commissioner shall send the final budget format, departmental earnings report, agency budget plans or requests for the next biennium, and copies of the filed material to the appropriations ways and means and finance committees, except that the commissioner shall not be required to transmit information that identifies executive branch budget decision items. At this time, a list of each employee's name, title, and salary must be available to the legislature, either on paper or through electronic retrieval.

Sec. 52. Minnesota Statutes 1992, section 16A.105, is amended to read:

16A.105 [DEBT CAPACITY FORECAST.]

By ~~January 14~~ December 1 of each ~~odd-numbered~~ even-numbered year the governor shall submit to the legislature a debt capacity forecast. The debt capacity forecast must include statements of the indebtedness of the state for bonds, notes, and other forms of long-term indebtedness that are not accounted for in proprietary or fiduciary funds, including general obligation bonds, moral obligation bonds, revenue bonds, loans, grants payable, and capital leases. The forecast must show 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 the next six fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity for the next six fiscal years.

Sec. 53. Minnesota Statutes 1992, section 16A.11, subdivision 1, is amended to read:

Subdivision 1. [WHEN.] The governor shall submit a three-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth ~~Monday~~ Tuesday in January in each odd-numbered year. Part three, the detailed recommendations as to capital expenditure, ~~need not be~~ must be submitted ~~until June 15 as follows:~~ agency capital budget requests by June 15 of each odd-numbered year; preliminary governor's recommendations by September 1 of each odd-numbered year; and final recommendations by February 1 of each even-numbered year.

Sec. 54. Minnesota Statutes 1992, 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 contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. Part of the budget must be prepared using performance-based budgeting concepts. In this subdivision, "performance-based budgeting" means a budget system that identifies agency outcomes and results and provides comprehensive information regarding actual and proposed changes in funding and outcomes. The detailed estimates shall include the budget request plan 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~~ full-time equivalent positions 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 full-time equivalent employees of all kinds employed by the agency on June 30 of the last complete fiscal year.~~ 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.

Any increase in complement with the exception of federal positions, approved by the commissioner of finance as temporary positions, shall be reflected in the governor's budget recommendations to the legislature as change request items. These positions are not permanent positions until the legislature has approved the change request items.

Sec. 55. [16A.122] [WORK FORCE PLANNING AND REPORTING.]

Subdivision 1. [AGENCY AUTHORIZED WORK FORCE.] Within any limits imposed by law, state agencies may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions except that actual levels of employment are limited by availability of appropriated funding for salaries and benefits.

Subd. 2. [TRANSFERS FROM GRANTS PROHIBITED.] Unless otherwise provided by law, an agency must not use grant or flow-through funds for salaries or other operating purposes.

Subd. 3. [WORK FORCE REPORTING.] The commissioner shall prepare quarterly work force reports as required for accurate reporting of state employment levels, whether for internal analysis or for nationwide comparisons of public employment levels. The reports shall express total employment in terms of full-time equivalent positions; shall indicate changes from previous reporting periods; and shall take into account all positions, including full-time, part-time, temporary, and other employees. In this subdivision, a full-time equivalent position means 2,080 working hours per year; except that the number of work hours may vary, depending upon the exact number of working days in any given year. Independent contractors are not to be included within the definition of a full-time equivalent position.

Subd. 4. [BUDGET REPORTING.] For purposes of budgetary reporting, position counts must be expressed as full-time equivalents as stipulated in subdivision 3. Estimated positions must be based on actual funding in the year indicated. The biennial budget document submitted to the legislature by the governor shall indicate full-time equivalent base level positions, the number of projected positions, and the number of positions for each of the two years before the base year. The governor's budget recommendations shall clearly specify any proposed changes in full-time equivalent positions. All fiscal notes and any other budgetary items submitted to the legislature shall specify relevant changes, both in full-time equivalent positions and accompanying changes in salary dollars.

Sec. 56. [16A.1285] [DEPARTMENTAL EARNINGS.]

Subdivision 1. [DEFINITIONS.] In this section, "departmental earnings" means any charge for goods and services and any regulatory, licensure, or other similar charges levied by any state agency and paid by individuals, businesses, or other nonstate entities. This definition must not be construed to include general taxes collected by a state agency or charges for services provided by one state agency to another state agency.

Subd. 2. [POLICY.] Unless otherwise provided by law, specific charges falling within definitions stipulated in subdivision 1 must be set in the manner prescribed in this subdivision provided that: (1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; or (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.

Subd. 3. [DUTIES OF THE COMMISSIONER OF FINANCE.] The commissioner of finance shall classify, monitor, analyze, and report all departmental earnings that fall within the definition established in subdivision 1. Specifically, the commissioner shall:

(1) establish and maintain a classification system that clearly defines and distinguishes categories and types of departmental earnings and takes into account the purpose of the various earnings types and the extent to which various earnings types serve a public or private interest;

(2) prepare a biennial report that documents collection costs, purposes, and yields of all departmental earnings, the report to be submitted to the legislature on or before November 30 of each even-numbered year and to include estimated data for the year in which the report is prepared, actual data for the two years immediately before, and estimates for the two years immediately following; and

(3) prepare and maintain a detailed directory of all departmental earnings.

Subd. 4. [RULEMAKING.] (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust individual charges when:

(1) charges for goods and services are provided for the direct and primary use of a private individual, business, or other similar entity;

(2) charges are nonrecurring;

(3) charges would produce insignificant revenues;

(4) charges are billed within or between state agencies; or

(5) charges are for admissions to or for use of public facilities operated by the state, if the charges are set according to prevailing market conditions to recover operating costs.

(b) In addition to the exceptions in paragraph (a), agencies may adjust charges, with the approval of the commissioner of finance, if the proposed adjustments are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments do not change the type or purpose of the item being adjusted.

(c) Any departmental earnings changes or adjustments authorized by the commissioner of finance must be reported to the chairs of the senate committee on finance and the house ways and means committee before August 1 of each year.

Subd. 5. [PROCEDURE.] The commissioner of finance shall review and comment on all departmental charges submitted for approval under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process.

Sec. 57. Minnesota Statutes 1992, section 16A.129, is amended by adding a subdivision to read:

Subd. 3. [CASH ADVANCES.] When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may transfer general fund cash reserves into the accounts as necessary to meet cash demands. The cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. Any interest earned on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made.

Sec. 58. Minnesota Statutes 1992, section 16A.15, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] (a) If the commissioner determines that probable receipts for the general fund will be less than anticipated, and that the amount available for the remainder of the biennium will be less than needed, the commissioner shall, with the approval of the governor, and after consulting the legislative advisory commission, reduce the amount in the budget reserve and cash flow reserve account ~~established in subdivision 6~~ as needed to balance expenditures with revenue.

(b) An additional deficit shall, with the approval of the governor, and after consulting the legislative advisory commission, be made up by reducing unexpended allotments of any prior appropriation or transfer. Notwithstanding any other law to the contrary, the commissioner is empowered to defer or suspend prior statutorily created obligations which would prevent effecting such reductions.

(c) If the commissioner determines that probable receipts for any other fund, appropriation, or item will be less than anticipated, and that the amount available for the remainder of the term of the appropriation or for any allotment period will be less than needed, the commissioner shall notify the agency concerned and then reduce the amount allotted or to be allotted so as to prevent a deficit.

(d) In reducing allotments, the commissioner may consider other sources of revenue available to recipients of state appropriations and may apply allotment reductions based on all sources of revenue available.

(e) In like manner, the commissioner shall reduce allotments to an agency by the amount of any saving that can be made over previous spending plans through a reduction in prices or other cause.

Sec. 59. Minnesota Statutes 1992, section 16A.15, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO COMMITTEES.] The commissioner shall notify the committees on finance and taxes and tax laws of the senate and the committees on appropriations ways and means and taxes of the house of representatives of a reduction in an allotment under subdivision 4 this section. The notice must be in writing and delivered within 15 days of the commissioner's act. The notice must specify:

- (1) the amount of the reduction in the allotment;
- (2) the agency and programs affected;
- (3) the amount of any payment withheld; and
- (4) any additional information the commissioner determines is appropriate.

Sec. 60. Minnesota Statutes 1992, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE AND CASH FLOW RESERVE ACCOUNT ESTABLISHED.] A budget reserve and cash flow reserve account is created in the general fund in the state treasury. The commissioner of finance shall, ~~as authorized from time to time by law,~~ restrict part or all of the budgetary balance before reserves in the general fund for use as may be necessary to fund the budget reserve and cash flow reserve account as provided by law from time to time. ~~The commissioner of finance shall transfer from the budget and cash flow reserve account the amount necessary to bring the total amount, including any existing balance in the account on July 1, 1992, to \$240,000,000. The amounts restricted shall remain in the account until drawn down under subdivision 1 or increased under section 16A.1541.~~

Sec. 61. Minnesota Statutes 1992, section 16A.152, is amended by adding a subdivision to read:

Subd. 3. [USE.] The use of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. The budget reserve may be used when a negative budgetary balance is projected and when objective measures, such as reduced growth in total wages, retail sales, or employment, reflect downturns in the state's economy.

Sec. 62. Minnesota Statutes 1992, section 16A.152, is amended by adding a subdivision to read:

Subd. 5. [RESTORATION.] The restoration of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. Restoration of the budget reserve should occur when objective measures, such as increased growth in total wages, retail sales, or employment, reflect upturns in the state's economy. The budget reserve should be restored before new or increased spending commitments are made.

Sec. 63. Minnesota Statutes 1992, section 16A.1541, is amended to read:

16A.1541 [ADDITIONAL REVENUES; PRIORITY.]

If on the basis of a forecast of general fund revenues and expenditures the commissioner of finance determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of finance must allocate money to the budget reserve and cash flow reserve account until the total amount in the account equals five percent of total general fund appropriations for the current biennium as established by the most recent legislative session. Beginning in November 1990, forecast unrestricted budgetary general fund balances are first appropriated to restore the budget reserve and cash flow reserve account to \$550,000,000 and then to reduce the property tax levy recognition percent under section 121.904, subdivision 4a, to 27 percent before money is allocated to the budget reserve and cash flow reserve account under the preceding sentence.

Sec. 64. Minnesota Statutes 1992, section 16A.28, is amended to read:

16A.28 [TREATMENT OF UNUSED APPROPRIATIONS.]

Subdivision 1. [CARRYFORWARD.] Agencies may carry forward unexpended and unencumbered nongrant operating balances from the first year of a biennium into the second year of the biennium.

Subd. 2. [USE OF CARRYFORWARD.] No money shall be carried forward without the approval of the commissioner of finance.

Subd. 3. [LAPSE.] ~~Except as specifically provided for in appropriation acts, a part of an appropriation subject to this section~~ Any portion of any appropriation not carried forward and remaining unexpended and unencumbered at the close of a fiscal year lapses. The commissioner shall see that the remainder is returned to the fund from which it was originally appropriated. Any appropriation amounts not carried forward and remaining unexpended and unencumbered at the close of a biennium lapse to the fund from which the appropriation was made.

Subd. 2 4. [REINSTATEMENT; FINAL LAPSE.] The commissioner may reinstate a lapsed appropriation within three months of the lapse. A reinstated appropriation lapses again no later than three months after it first lapsed. A payment under a reinstated appropriation may be made only under section 16A.15, subdivision 3.

Subd. 3 5. [PERMANENT IMPROVEMENTS.] An appropriation for permanent improvements, including the acquisition of real property does not lapse until the purposes of the appropriation are determined by the commissioner, after consultation with the affected agencies, to be accomplished or abandoned.

Subd. 4 6. [CANCELED SEPTEMBER 1.] On September 1 all allotments and encumbrances for the last fiscal year shall be canceled unless an agency head certifies to the commissioner that there is an encumbrance for services rendered or goods ordered in the last fiscal year, or certifies that funding will be carried forward under subdivision 1. The commissioner may: reinstate the part of the cancellation needed to meet the certified encumbrance or charge the certified encumbrance against the current year's appropriation.

Subd. 5 7. [EXCEPTIONS.] Except as otherwise expressly provided by law, subdivisions 1 to 4 6 apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but do not, unless expressly provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources that are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 65. Minnesota Statutes 1992, section 16A.281, is amended to read:

16A.281 [APPROPRIATIONS TO LEGISLATURE EXEMPT.]

Except as provided in this section, section 16A.28 does not apply applies to appropriations made to the legislature, the senate, the house of representatives or its committees or commissions. An appropriation made to the legislature, the senate, the house of representatives, or a legislative commission or committee other than a standing committee, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance not carried forward and remaining unexpended and unencumbered at the end of a biennium lapses and shall be returned to the fund from which appropriated. Balances may be carried forward into the next biennium and credited to special accounts to be used only as follows: (1) for nonrecurring expenditures on investments that enhance efficiency or improve effectiveness; (2) to pay expenses associated with special sessions, interim activities, public hearings, or other public outreach efforts and related activities; and (3) to pay severance costs of involuntary terminations. The approval of the commissioner of finance under section 16A.28, subdivision 2, does not apply to the legislature. An appropriation made to the legislature, the senate, the house of representatives, or a standing committee for all or part of a biennium may be spent in either year of the biennium or the year before or after the biennium.

Sec. 66. [16A.285] [ALLOWED APPROPRIATION TRANSFERS.]

An agency may transfer state agency operational money between programs within the same fund if: (1) the agency first notifies the commissioner as to the type and intent of the transfer; and (2) the transfer is consistent with legislative intent. If an amount is specified for an item within an activity, that amount must not be transferred or used for any other purpose.

The commissioner shall report the transfers to the chairs of the senate finance and house of representatives ways and means committees.

Sec. 67. Minnesota Statutes 1992, section 16A.58, is amended to read:

16A.58 [COMMISSIONER CUSTODIAN OF PAYMENT DOCUMENTS.]

The commissioner or the head of a state agency designated by the commissioner is the custodian of original documents on which money has been or may be paid out of or received in the state treasury.

Sec. 68. Minnesota Statutes 1992, section 16A.69, subdivision 2, is amended to read:

Subd. 2. [TRANSFER BETWEEN ACCOUNTS.] Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. 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 technical colleges, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house appropriations of representatives ways and means committee before the transfer is made under this subdivision.

Sec. 69. Minnesota Statutes 1992, section 16A.72, is amended to read:

16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- (8) as provided in sections 16B.57 and 85.22; ~~or~~
- (9) as otherwise provided by law; and
- (10) income to the Minnesota historical society.

Sec. 70. Minnesota Statutes 1992, section 16B.24, subdivision 9, is amended to read:

Subd. 9. [SMOKING IN STATE BUILDINGS.] (a) To protect the public health, comfort, and environment and to protect the nonsmoker's right to a smoke-free environment, smoking in all buildings managed or leased by the commissioner under subdivisions 1 and 6 is prohibited except in veterans homes where smoking areas have been designated under a policy adopted in accordance with paragraph (b).

~~(b) Except as provided in paragraph (c), each state agency shall adopt a smoking policy for the space it occupies. Before placing a policy in effect, the agency shall submit the policy and a plan for implementing it to the commissioner of employee relations. The policy must:~~

- ~~(1) prohibit smoking entirely; or~~
- (2) A veterans home may permit smoking only in designated areas, providing that existing physical barriers and ventilation systems can be used to prevent the presence of smoke in adjacent nonsmoking areas.

~~(e) An agency need not adopt a new policy governing an area in which smoking is prohibited under a policy in effect on January 1, 1989.~~

No employee complaining of a ~~smoke-induced discomfort~~ violation of this subdivision to a lessor, lessee, manager, or supervisor may be subjected to any disciplinary action as a result of making the complaint.

Sec. 71. Minnesota Statutes 1992, section 16B.41, as amended by Laws 1993, chapter 4, section 12, is amended to read:

16B.41 [STATE INFORMATION SYSTEMS MANAGEMENT POLICY OFFICE.]

Subdivision 1. [ESTABLISHMENT AND PURPOSE.] ~~An office of information systems management is created.~~ The information policy office shall develop and establish a policy and standards for state agencies to follow for the development, purchase, and training for information systems. The purpose of the office is to develop, promote, and coordinate a state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.

Subd. 2. [RESPONSIBILITIES.] The office has the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not needlessly duplicate or needlessly conflict with the systems of other agencies. In those instances where state agencies have need for the same or similar computer data, the commissioner shall ensure that the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies is used. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. ~~The commissioner of administration must establish interim standards and guidelines by August 1, 1987. The office must establish permanent standards and guidelines by July 1, 1988.~~ On January 1, 1988, and every six months thereafter, any state agency that has purchased information systems equipment or software in the past six months, or that is contemplating purchasing this equipment or software in the next six months, must report to the office and to the chairs of the house ways and means committee and the senate finance committee on how the purchases or proposed purchases comply with the applicable standards and guidelines.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's and the state's mission, requirements, and functions.

(c) The office must review and approve all agency requests for legislative appropriations for the development or purchase of information systems equipment or software. Requests may not be included in the governor's budget submitted to the legislature, unless the office has approved the request.

(d) Each biennium the office must ~~rank in order of priority~~ rate agency requests for new appropriations for development or purchase of information systems equipment or software based on established information management criteria. The office must submit this ~~ranking rating~~ to the legislature at the same time, or no later than 14 days after, the governor submits the budget message to the legislature. The governor must provide information necessary to rate agency requests to the office.

(e) The office must define, review, and approve major purchases of information systems equipment to (1) ensure that the equipment follows the standards and guidelines of the state information architecture; (2) ensure that the equipment is consistent with the information management principles adopted by the information policy council; (3) evaluate whether or not the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and (4) ensure the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency. The commissioner of finance may not allot funds appropriated for major purchases of information systems equipment until the office reviews and approves the proposed purchase. A public institution of higher education must not purchase interconnective computer technology without the prior approval of the office.

(f) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office. These standards and guidelines shall emphasize uniformity that encourages information interchange, open

systems environments, and portability of information whenever practicable and consistent with an agency's authority and the Minnesota government data practices act. The office, in consultation with the intergovernmental information systems advisory council and the legislative reference library, shall adopt specific standards and guidelines to be met by each state agency within a time period fixed by the office in regard to the following:

(1) establishment of methodologies and systems directed at reducing and ultimately eliminating redundant storage of data and encouraging greater use of central databases;

(2) establishment of data retention schedules, disaster recovery plans and systems, security systems, and procedural safeguards concerning privacy of data;

(3) establishment of pricing policies and incentives that encourage electronic transfer of information in electronic forms, while giving due consideration to the value and cost of providing the information in those forms. These pricing policies may include preferential prices for information requested by a public entity for a public purpose; and

(4) establishment of information sales systems that utilize licensing and royalty agreements to the greatest extent possible, together with procedures for agency denial of requests for licenses or royalty agreements by commercial users or resellers of the information. Section 3.751 does not apply to these licensing and royalty agreements and the agreements must include provisions that section 3.751 does not apply and that the state is immune from liability under the agreement.

If an agency needs additional funds to comply with the requirements of this paragraph, the agency must first obtain approval of the proposal by the office as required by paragraph (c) before submitting it to the legislature.

(g) The office must conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.

(h) The office shall recommend to the legislature any statutory changes that are necessary or desirable to accomplish the duties described in this subdivision.

(i) The office must report to the legislature by January 15 each year on progress in implementing paragraph (f), clauses (1) to (4).

Subd. 3. [STAFF.] The office shall function as a division of the department of administration. The commissioner of administration shall ~~appoint an interim office director and other interim staff and~~ provide the necessary administrative support to the office. The ~~employees and~~ director shall serve in the unclassified service ~~through June 30, 1988. On July 1, 1988, the employee positions established by this section, except the position of director, shall be placed in the classified service. The position of director shall remain in the unclassified service.~~

Subd. 4. [~~ADVISORY TASK FORCE.~~] ~~The commissioner must appoint a state information systems advisory task force to help develop and coordinate a state information architecture that is consistent with the information management direction developed by the information policy council, and make recommendations to the commissioner concerning the progress, direction, and needs of the state's information systems. The task force must include representatives of state agencies, the supreme court, higher education systems, librarians, local government, and private industry. The task force must also have two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the senate committee on committees. No more than one member from the house of representatives and one from the senate shall be chosen from the same political party. The terms, compensation, and removal of nonlegislative members are as provided in section 15.059, but the task force does not expire until June 30, 1993.~~

Subd. 5. [COMPUTER IMPACT STATEMENT.] When a statutory change affects reporting and data collection requirements for local units of government, the state agency most responsible for the data collected and reported by the local units of government must file a computer impact statement with the office within 60 days of the final enactment of the statutory change. The statement must indicate the anticipated data processing costs associated with the change.

Sec. 72. Minnesota Statutes 1992, section 16B.43, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] The authority of the commissioner under sections 16B.40 to 16B.42, 16B.44, and 16B.45 ~~does not apply~~ applies to ESV-IS, ~~but applies~~ and to SDE-IS and computer-related services provided to the department of education by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in section 121.93.

Sec. 73. Minnesota Statutes 1992, section 16B.92, is amended to read:

16B.92 [LAND MANAGEMENT INFORMATION CENTER.]

Subdivision 1. [PURPOSE.] The purpose of the land management information center is to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development. The ~~commissioner~~ director, through the center, shall periodically study land use and natural resources on the basis of county, regional, and other political subdivisions.

Subd. 1a. [STATEWIDE NITRATE DATA BASE.] The ~~commissioner~~ director, through the center, shall maintain a statewide nitrate data base containing the data described in section 103A.403.

Subd. 2. [FEES.] The ~~commissioner~~ director shall set fees under section 16A.128, subdivision 2, reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state treasury and credited to the land management information center revolving account. Money in the account is appropriated to the ~~commissioner~~ director for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the ~~department office~~ that is attributable to the land management information system. The ~~commissioner~~ director may require a state agency to make an advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution.

Sec. 74. [TRANSFER OF LAND MANAGEMENT INFORMATION CENTER.]

Subdivision 1. [TRANSFER.] The land management information center is transferred from the department of administration to the office of strategic and long-range planning, under Minnesota Statutes, section 15.039.

Subd. 2. [REVISOR INSTRUCTION.] In the next edition of Minnesota Statutes, the revisor of statutes shall codify Minnesota Statutes, section 16B.92 in chapter 4A.

Sec. 75. Minnesota Statutes 1992, section 43A.045, is amended to read:

43A.045 [RESTRUCTURING.]

(a) It is the policy of the state of Minnesota that any restructuring of executive branch agencies be accomplished while ensuring must include efforts to ensure that fair and equitable arrangements are carried out to protect the interests of executive branch employees, and while facilitating to provide the best possible service to the public. The commissioner shall make an effort to train and retrain existing employees for a changing work environment. Where restructuring may involve a loss of existing positions and employment, the commissioner shall assist affected employees in finding suitable employment.

For (b) Options available to employees whose positions will be eliminated by implementation of a restructuring plan, options presented to employees must include but not be limited to, at a minimum, job and training opportunities necessary to qualify for another job in the same, an equal, or a lower classification within their current department or a similar job in another state agency.

(c) Implementation of this section, as well as procedures for notifying employees affected by restructuring plans, must be negotiated into collective bargaining agreements under chapter 179A. Nothing in this section shall be construed as diminishing any rights defined in collective bargaining agreements under this chapter or chapter 179A.

Sec. 76. Minnesota Statutes 1992, section 192.501, subdivision 2, is amended to read:

Subd. 2. [TUITION REIMBURSEMENT.] (a) The adjutant general shall establish a program providing tuition reimbursement for members of the Minnesota national guard in accordance with this section. An active member of the Minnesota national guard serving satisfactorily, as defined by the adjutant general, shall be reimbursed for tuition paid to a post-secondary education institution as defined by section 136A.15, subdivision 5, upon proof of satisfactory completion of course work.

(b) In the case of tuition paid to a public institution located in Minnesota, including any vocational or technical school, tuition is limited to an amount equal to 50 percent of the cost of tuition at that public institution, except as provided in this section. In the case of tuition paid to a Minnesota private institution or vocational or technical school or a public or private institution or vocational or technical school not located in Minnesota, reimbursement is limited to 50 percent of the cost of tuition for lower division programs in the college of liberal arts at the twin cities campus of the University of Minnesota in the most recent academic year, except as provided in this section.

(c) If a member of the Minnesota national guard is killed in the line of state active ~~duty~~ service or federally funded state active service as defined in section 190.05, subdivision 5b, the state shall reimburse 100 percent of the cost of tuition for post-secondary courses satisfactorily completed by any surviving spouse and any surviving dependents who are ~~24~~ 23 years old or younger. Reimbursement for surviving spouses and dependents is limited in amount and duration as is reimbursement for the national guard member.

(d) The amount of tuition reimbursement for each eligible individual shall be determined by the adjutant general according to rules formulated within 30 days of June 4, 1989. Tuition reimbursement received under this section shall not be considered by the Minnesota higher education coordinating board or by any other state board, commission, or entity in determining a person's eligibility for a scholarship or grant-in-aid under sections 136A.095 to 136A.132.

Sec. 77. Minnesota Statutes 1992, section 196.051, subdivision 3, is amended to read:

Subd. 3. [FUNDS.] The commissioner may commingle the funds of persons who are under the commissioner's guardianship pursuant to authority granted by section 196.051. The commissioner shall keep complete and accurate accounts showing each transaction that occurs with respect to the funds of each person under the commissioner's guardianship. Money in a guardianship fund is appropriated to the commissioner to carry out the guardianship.

Sec. 78. Minnesota Statutes 1992, section 196.054, subdivision 2, is amended to read:

Subd. 2. [APPROPRIATION.] There is a veterans affairs resources fund in the state treasury. All money received by the department pursuant to subdivision 1 must be deposited in the state treasury and credited to the veterans affairs resources fund. ~~The commissioner may only use Money from the veterans affairs resources fund is~~ appropriated to the commissioner for operation, maintenance, repair of facilities, associated legal fees, and other related expenses ~~used~~ under subdivision 1.

Sec. 79. [197.608] [VETERANS SERVICE OFFICE GRANT PROGRAM.]

Subdivision 1. [GRANT PROGRAM.] A veterans service office grant program is established to be administered by the commissioner of veterans affairs consisting of grants to counties to enable them to enhance the effectiveness of their veterans service offices.

Subd. 2. [RULE DEVELOPMENT.] The commissioner of veterans affairs shall consult with the Minnesota association of county veterans service officers in formulating rules to implement the grant program.

Subd. 3. [ELIGIBILITY.] To be eligible for a grant under this program, a county must:

(1) employ a county veterans service officer as authorized by sections 197.60 and 197.606, who is certified to serve in this position by the commissioner of veterans affairs;

(2) submit a written plan for the proposed expenditures to enhance the functioning of the county veterans service office in accordance with the program rules; and

(3) apply for the grant according to procedures to be established for this program by the commissioner and receive written approval from the commissioner for the grant in advance of making the proposed expenditures.

Subd. 4. [GRANT APPLICATION.] (a) A grant application must be submitted to the department of veterans affairs according to procedures to be established by the commissioner. The grant application must include a specific description of the plan for enhancing the operation of the county veterans service office.

(b) The commissioner shall approve a grant application only if it meets the criteria for eligibility as established and announced by the commissioner and there are sufficient funds remaining in the grant program to cover the amount of the grant. The commissioner may request modification of a plan. If the commissioner rejects a grant application, written reasons for the rejection must be provided to the applicant county and the county may modify the application and resubmit it.

Subd. 5. [QUALIFYING USES.] The commissioner of veterans affairs shall determine whether the plan specified in the grant application will enable the applicant county to enhance the effectiveness of its county veterans office.

Notwithstanding subdivision 3, clause (1), a county may apply for and use a grant for the training and education required by the commissioner for a newly employed county veterans service officer's certificate, or for the continuing education of other staff.

Subd. 6. [GRANT AMOUNT.] The amount of each grant must be determined by the commissioner of veterans affairs, and may not exceed the lesser of:

(1) the amount specified in the grant application to be expended on the plan for enhancing the effectiveness of the county veterans service office; or

(2) the county's share of the total funds available under the program, determined in the following manner:

(i) if the county's veteran population is less than 1,000, the county's grant share shall be \$2,000;

(ii) if the county's veteran population is 1,000 or more but less than 3,000, the county's grant share shall be \$4,000;

(iii) if the county's veteran population is 3,000 or more but less than 10,000, the county's grant share shall be \$6,000;

or

(iv) if the county's veteran population is 10,000 or more, the county's grant share shall be \$8,000.

In any year, only one-half of the counties in each of the four veteran population categories (i) to (iv) shall be awarded grants. Grants shall be awarded on a first-come first-served basis to counties submitting applications which meet the commissioner's criteria as established in the rules. Any county not receiving a grant in any given year shall receive priority consideration for a grant the following year.

In any year, after a period of time to be determined by the commissioner, any amounts remaining from undistributed county grant shares may be reallocated to the other counties which have submitted qualifying application.

The veteran population of each county shall be determined by the figure supplied by the United States Department of Veterans Affairs, as adopted by the commissioner.

Sec. 80. [197.609] [EDUCATION PROGRAM.]

Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An education program for county veterans service officers is established to be administered by the commissioner of veterans affairs.

Subd. 2. [ELIGIBILITY.] To be eligible for the program in this section, a person must currently be employed as a county veterans service officer as authorized by sections 197.60 to 197.606, and be certified to serve in that position by the commissioner of veterans affairs or be serving a probationary period as authorized by section 197.60, subdivision 2.

Subd. 3. [PROGRAM CONTENT.] The program in this section must include but is not limited to informing county veteran service officers of the federal, state, and private benefits and services available to veterans, training them in procedures for applying for these benefits, updating them on the changes in these benefits and the eligibility criteria and application procedures, informing them of judicial and regulatory decisions involving veterans programs, training them in the legal procedures for appealing decisions disallowing benefits to veterans, and providing education, information, and training for any other aspects of the veteran service officer position.

Sec. 81. Minnesota Statutes 1992, section 198.16, is amended to read:

198.16 [DONATIONS; GENERAL PURPOSES.]

The board is authorized to accept on behalf of the state any gift, grant, bequest, or devise made for the purposes of this chapter, and administer the same as directed by the donor. All proceeds therefrom including money derived from the sale of any real or personal property shall be deposited in the state treasury and credited to the Minnesota veterans home endowment, bequest, and devises fund. Said fund shall consist of two accounts, one of which shall include any trusts prescribed by the donor, the other shall include any currently expendable proceeds. Money in the fund is appropriated to the board for the purposes for which it was received. Disbursements from this fund shall be made in the manner provided for the issuance of other state warrants.

Whenever the board shall deem it advisable, in accordance with law, to sell or otherwise dispose of any real or personal property thus acquired, the commissioner of administration upon the request of the board shall sell or otherwise dispose of said property in the manner provided by law for the sale or disposition of other state property by the commissioner of administration.

Sec. 82. Minnesota Statutes 1992, section 240A.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; COMPENSATION; CHAIR.] (a) The Minnesota amateur sports commission consists of ~~nine~~ 12 voting members, four of whom must be experienced in promoting amateur sports. Nine of the voting members shall be appointed by the governor to three-year terms. Two legislators, one from each house appointed according to its rules, shall be nonvoting members. Compensation and removal of members and the filling of membership vacancies are as provided in section 15.0575. A member may be reappointed. The governor shall appoint the chair of the commission after consideration of the commission's recommendation.

(b) The governor, speaker of the house of representatives, and senate majority leader shall each appoint one additional voting member to the commission to a two-year term. The purpose of adding three members to the commission is to ensure gender balance in commission membership. Compensation, removal, and filling of vacancies of members appointed under this paragraph are as provided in section 15.0575. A member appointed under this paragraph may be reappointed.

Sec. 83. Minnesota Statutes 1992, section 240A.03, is amended by adding a subdivision to read:

Subd. 15. [ADVERTISING.] The commission may accept paid advertising in its publications. Funds received from advertising are annually appropriated to the commission for its publications. The commission must annually report the amount of funds received under this subdivision to the chair of the house of representatives ways and means and senate finance committees.

Sec. 84. Minnesota Statutes 1992, section 270.063, is amended to read:

270.063 [COLLECTION OF DELINQUENT TAXES; COSTS.]

For the purpose of collecting delinquent state tax liabilities, there is appropriated to the commissioner of revenue an amount representing the cost of collection by contract with collection agencies, revenue departments of other states, or attorneys to enable the commissioner to reimburse these agencies, departments, or attorneys for this service, ~~or provide for the operating costs of collection activities of the department of revenue.~~ The commissioner shall report quarterly on the status of this program to the chair of the house tax and appropriation committees and senate tax and finance committees.

Notwithstanding section 16A.15, subdivision 3, the commissioner of revenue may authorize the prepayment of sheriff's fees, attorney fees, fees charged by revenue departments of other states, or court costs to be incurred in connection with the collection of delinquent tax liabilities owed to the commissioner of revenue.

Sec. 85. Minnesota Statutes 1992, section 271.07, is amended to read:

271.07 [STENOGRAPHIC REPORT; TRANSCRIPT.]

Except in the small claims division, the tax court shall provide for a verbatim stenographic report of all proceedings had before it upon appeals, as required by the laws relating to proceedings in district court. The cost of the stenographic record shall be paid by the party taking the appeal. The cost is a taxable cost under section 271.09.

Sec. 86. Minnesota Statutes 1992, section 309.501, is amended to read:

309.501 [REGISTERED COMBINED CHARITABLE ORGANIZATIONS.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) "Registered combined charitable organization" means ~~a~~ a federated funding organization:

(1) which is tax exempt under section 501(c)3 of the Internal Revenue Code of 1986, as amended through December 31, ~~1990~~ 1992 (hereinafter "Internal Revenue Code"), and to which contributions are deductible under section 170 of the Internal Revenue Code;

(2) which exists for purposes other than solely fundraising;

(3) which secures funds for distribution to ten 14 or more charitable affiliated agencies in a single, annual consolidated effort;

(~~3~~) (4) which is governed by a local, independent, voluntary board of directors which represents the broad interests of the public and 90 percent of the directors of the governing board live or work in the community or surrounding area;

(4) (5) which distributes at least 70 percent of its total campaign income and revenue to its affiliated agencies and to the designated agencies it supports and expends no more than 30 percent of its total income and revenue for management and general costs and fund raising costs;

(~~5~~) (6) which distributes at least 70 percent of its total campaign income and revenue to affiliated agencies and designated agencies that are incorporated in Minnesota or headquartered in the service area in which the state employee combined charitable campaign takes place;

(7) and each designated or affiliated agency supported by the recipient institution devotes substantially all of its activities directly to providing health, welfare, social, or other human services to individuals;

(~~6~~) (8) and each designated or affiliated agency supported by the recipient institution with funds contributed by state employees through the combined charitable campaign provides all or substantially all of its health, welfare, social, or other human services, in the community and surrounding area in which the recipient institution's fund drive state employee combined charitable campaign takes place;

(7) (9) and each charitable agency is affiliated with no more than one registered combined charitable organization within the registered combined charitable organization's service area in the state's employee combined charitable campaign; and

(10) which has been registered with the commissioner of commerce employee relations in accordance with this section.

(c) "Affiliated agency" means a charitable agency that is represented by a federation and has an ongoing relationship with that federation which involves a review and monitoring process to insure financial, managerial, and programmatic responsibility.

(d) "Charitable agency" means a governmental agency or an organization (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code; (2) to which contributions are deductible under section 170 of the Internal Revenue Code; and (3) which is in compliance with the provisions of this chapter.

(e) "State employees combined charitable campaign" means the annual state campaign whereby a state employee may designate that the employee's contribution to a registered combined charitable organization may be deducted from the pay of the employee for each pay period.

Subd. 2. [DESIGNATED CONTRIBUTIONS.] A registered combined charitable organization may offer a state officer or employee the option of designating in writing that the amount deducted in section 16A.134, be designated to any charitable agency, whether or not the charitable agency receives funds from the single, annual consolidated effort. A registered combined charitable organization which offers this option shall provide a list of charitable agencies receiving funds and the amount each charitable agency receives in the annual report required pursuant to section 309.53.

Subd. 3. [REGISTRATION.] ~~An~~ (a) In order to participate in the state employee combined charitable campaign, a federated funding organization may shall apply to the commissioner of commerce employee relations as a registered combined charitable organization on or before June 1, 1993, and in 1994 and thereafter on or before March 1 in order to be eligible to participate in the campaign for that year.

~~An~~ (b) A federated funding organization which applies to the commissioner of employee relations shall provide the commissioner with all information the commissioner deems necessary to identify the charitable and tax exempt status of the organization and its compliance with the provisions of this chapter including, but not limited to the following:

(1) a copy of the organization's most recently filed annual report required by section 309.53, which shall also be filed with the attorney general;

(2) assurance of tax exempt status for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency;

(3) assurance of proper registration with the attorney general of Minnesota to solicit contributions in the state of Minnesota for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency. A copy of the registration letter must be available upon request;

(4) an affidavit signed by a duly constituted officer of the federated funding organization attesting to the fact that the federated funding organization and its affiliated agencies are in compliance with each of the provisions of this section;

(5) a list of the board of directors for the federated funding organization which identifies the address for each director; and

(6) a fee of \$100, or ten percent of the funds raised from state employees in the previous campaign, whichever is less.

(c) A registered combined charitable organization shall disclose in its solicitation and its annual report filed under section 309.53:

~~(a)~~ (1) gross dollars received in contributions in the prior year;

~~(b)~~ (2) names of, business addresses, and amount of money distributed to each affiliated charitable agency by the registered combined charitable organization;

~~(c)~~ (3) percentage of gross dollars contributed which was directly received by the charitable agencies; and

~~(d)~~ (4) projected percentage of the contribution to be received by the charitable agencies in the year for which the solicitation is being made.

If participating charitable agencies are required to pay any fees to the combined charitable organization, it shall also be disclosed in the solicitation and annual report. In the annual report the combined charitable organization shall include a list of charitable agencies to which donors specifically designated funds, and the amount designated to each agency. Notwithstanding section 309.53, subdivision 1a, each charitable agency shall file the report required in section 309.53. The commissioner shall consult with the attorney general to determine if the combined charitable organization and its charitable agencies are in compliance with this chapter.

(d) The commissioner shall register or not register the application of an organization within 60 days. No organization may apply to the commissioner more than once in a 12-month period calendar year. An organization whose application is denied has ten calendar days after receiving notice of the denial to appeal the decision or file an amended application correcting the deficiency. The commissioner shall register or not register the organization within ten calendar days of the submission of the appeal. If the organization fails to correct the deficiency and registration is denied a second time, the organization may appeal within five calendar days after being notified by the commissioner or the commissioner's designee that the deficiency has not been cured and the organization is not registered. A hearing shall be scheduled by the commissioner of employee relations and shall be held within 15 calendar days after receiving notice of the appeal. The provisions of chapter 14 do not apply to the hearing. The hearing shall be conducted in a manner considered appropriate by the commissioner. The commissioner's determination following the hearing shall be made within five calendar days after the hearing has been completed. Registered combined charitable organizations shall file the report required in section 309.53. The commissioner shall notify the commissioner of finance in writing of the decision to register an organization under this section by July 15.

(e) An organization whose application as a registered combined charitable organization is denied shall not be eligible to participate in the state employee combined charitable campaign for that year. Only organizations that are approved may participate in the state employee combined charitable campaign for the year of approval and only contributions authorized during the campaign may be deducted from an employee's pay pursuant to section 16A.134.

Subd. 4. [COMPLIANCE WAIVER.] This subdivision applies only to the 1993 state employee combined charitable organization fund drive. A registered combined charitable organization that participated in the 1992 state employee's combined charitable organization's fund drive but that would not be qualified to participate in future fund drives because it will not satisfy the standards of this section, may certify to the commissioner of employee relations those provisions of subdivision 1 that it fails to meet and the extent of the inability to meet the specified standards, and may request a waiver of compliance. The commissioner shall issue a waiver to the registered combined charitable organization unless the provisions of subdivision 1 that the registered combined charitable organization fails to meet is subdivision 1, paragraph (b), clause (1) or (5).

To be entitled to a waiver, an organization must apply to the commissioner by the registration dates specified in subdivision 3.

Sec. 87. Minnesota Statutes 1992, section 352.96, subdivision 3, is amended to read:

Subd. 3. [EXECUTIVE DIRECTOR TO ADMINISTER SECTION.] This section must be administered by the executive director of the system under subdivision 4. Fiduciary activities of the deferred compensation plan must be undertaken in a manner consistent with chapter 356A. If the state board of investment so elects, it may solicit bids for options under subdivision 2, clauses (2) and (3). The state board of investment may retain consulting services to assist it in soliciting and evaluating bids and in the periodic review of companies offering options under subdivision 2, clause (3). The periodic review must occur at least every two years. The state board of investment may annually establish a budget for its costs in the soliciting, evaluating, and periodic review processes. The state board of investment may charge a proportional share of all costs related to the periodic review to each company currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids to each company selected by the state board. All contracts must be approved before execution by the state board of investment. Contracts must provide that all options in subdivision 2 must: be presented in an unbiased manner and in a manner that conforms to rules adopted by the executive director, be reported on a periodic basis to all employees participating in the deferred compensation program, and not be the subject of unreasonable solicitation of state employees to participate in the program. The contract may not call for any person to jeopardize the tax-deferred status of money invested by state employees under this section. All costs or fees in relation to the options provided under subdivision 2, clause (3), must be paid by the underwriting companies ultimately selected by the state board of investment.

Sec. 88. Minnesota Statutes 1992, section 354B.05, is amended to read:

354B.05 [ADMINISTRATION.]

Subdivision 1. [GOVERNING BOARDS.] The state university board shall administer the plan for persons in covered employment under section 354B.01, subdivisions 2, 4, and 5. The community college board shall administer the plan for persons in covered employment under section 354B.01, subdivision 3.

Subd. 2. [PURCHASE OF CONTRACTS.] The state university board and the community college board shall arrange for the purchase of annuity contracts, fixed, variable, or a combination of fixed and variable, or custodial accounts from financial institutions selected by the state board of investment under subdivision 3, to provide retirement and death benefits to members of the plan. The contracts or accounts must be purchased with contributions under section 354B.04 or money or assets otherwise provided by law or by authority of the state university board or community college board and acceptable by the financial institutions from which the contracts or accounts are purchased.

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. The state university board and the community college board shall of investment may select no more than two other financial institutions to provide annuity contracts or custodial accounts products. Each board may at its discretion change a selection of an institution. Investment programs offered by the institutions must meet the requirements of section 401(a) or 403(b) of the Internal Revenue Code of 1986, as amended. In making their selections, the boards board shall consider at least these criteria:

(1) the experience and ability of the financial institution to provide retirement and death benefits suited to the needs of the covered employees;

- (2) the relationship of the benefits to their cost; and
- (3) the financial strength and stability of the institution.

The state board of investment must periodically review at least every three years each financial institution selected by the state board of investment. The state board of investment may retain consulting services to assist in the periodic review, may establish a budget for its costs in the periodic review process, and may charge a proportional share of those costs to each financial institution selected by the state board of investment. All contracts must be approved by the state board of investment before execution by the state university board and the community college board. The state board of investment shall also establish policies and procedures under section 11A.04, clause (2), to carry out this subdivision.

The chancellor of the state university system and the chancellor of the state community college system shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the fixed interest account must not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

Subd. 4. [BENEFITS OWNED BY MEMBERS.] The retirement ~~and death~~ benefits provided by the annuity contracts or custodial accounts are owned by the trust and must be paid in accordance with the provisions of the plan document.

Sec. 89. [REVIEW BY STATE BOARD OF INVESTMENT.]

The state board of investment shall be responsible for periodic review of each financial institution under the provisions of section 88 as of the effective date of this section. Initial reviews must be with those financial institutions under contract with the state university board and community college board on the effective date of this section. As provided in section 88, the state board of investment may retain consulting services, establish a budget for its costs, and charge a proportional share of those costs to those financial institutions.

Sec. 90. Minnesota Statutes 1992, section 356.24, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTION; EXCEPTIONS.] (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;
- (4) for employees other than personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to:
  - (i) the state of Minnesota deferred compensation plan under section 352.96; or
  - (ii) payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; 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; or
- (5) for personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to the supplemental retirement plan under sections 354B.07 to 354B.09, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered 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 for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment shall may retain actuarial services to assist it in this determination and in its periodic review. The state board of investment shall may annually establish a budget for its costs in the any determination ~~process and shall~~ and periodic review processes. The state board of investment may charge a proportional share of that budget all costs related to the periodic review to those companies currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids in a determination process to each insurance company selected by the state board of investment. All contracts must be approved before execution by the state board of investment. The state board of investment shall establish policies and procedures under section 11A.04, clause (2), to carry out this paragraph.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

Sec. 91. Minnesota Statutes 1992, section 357.021, subdivision 1a, is amended to read:

Subd. 1a. (a) Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

(b) In a county which has a screener-collector position, fees paid by a county pursuant to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the fees first to reimburse the county for the amount of the salary paid for the screener-collector position. The balance of the fees collected shall then be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund. In a county in the eighth judicial district which has a screener-collector position, the fees paid by a county shall be transmitted monthly to the state treasurer for deposit in the state treasury and credited to the general fund. A screener-collector position for purposes of this paragraph is an employee whose function is to increase the collection of fines and to review the incomes of potential clients of the public defender, in order to verify eligibility for that service.

(c) No fee is required under this section from the public authority or the party the public authority represents in an action for:

(1) child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court, or child or medical support enforcement conducted by an administrative law judge in an administrative hearing under section 518.551, subdivision 10;

(2) civil commitment under chapter 253B;

(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525;

(4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery of overpayments of public assistance;

(5) court relief under chapter 260;

(6) forfeiture of property under sections 609.531 to 609.5317;

(7) recovery of amounts issued by political subdivisions or public institutions under sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37, and 260.251, or other sections referring to other forms of public assistance; or

(8) restitution under section 611A.04.

(d) The fees collected for child support modifications under subdivision 2, clause (13), must be transmitted to the county treasurer for deposit in the county general fund. The fees must be used by the county to pay for child support enforcement efforts by county attorneys.

Sec. 92. Minnesota Statutes 1992, section 357.021, subdivision 2, is amended to read:

Subd. 2. [FEE AMOUNTS.] The fees to be charged and collected by the court administrator shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper is filed for that party in said action, a fee of ~~\$140~~ \$122.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper is filed for that party in said action, a fee of ~~\$140~~ \$122.

The party requesting a trial by jury shall pay ~~\$30~~ \$75.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 103E, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding, \$5, plus 25 cents per page after the first page, and \$3.50, plus 25 cents per page after the first page for an uncertified copy.

(3) Issuing a subpoena, \$3 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$10.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$7.50.

(6) Filing and entering a satisfaction of judgment, partial satisfaction, or assignment of judgment, \$5.

(7) Certificate as to existence or nonexistence of judgments docketed, \$5 for each name certified to.

(8) Filing and indexing trade name; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians, or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) For the deposit of a will, \$5.

(11) For recording notary commission, \$25, of which, notwithstanding subdivision 1a, paragraph (b), \$20 must be forwarded to the state treasurer to be deposited in the state treasury and credited to the general fund.

(12) When a defendant pleads guilty to or is sentenced for a petty misdemeanor other than a parking violation, the defendant shall pay a fee of \$5.

(13) Filing a motion or response to a motion for modification of child support, a fee fixed by rule or order of the supreme court.

(14) All other services required by law for which no fee is provided, such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

The fees in clauses (3) and (4) need not be paid by a public authority or the party the public authority represents.

Sec. 93. Minnesota Statutes 1992, section 357.022, is amended to read:

357.022 [CONCILIATION COURT FEE.]

The court administrator in every county shall charge and collect a filing fee of ~~\$13~~ \$15 where the amount demanded is less than \$2,000 and \$25 where the amount demanded is \$2,000 or more from every plaintiff and from every defendant when the first paper for that party is filed in any conciliation court action. The court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 94. Minnesota Statutes 1992, section 357.08, is amended to read:

357.08 [PAID BY APPELLANT IN APPEAL.]

There shall be paid to the clerk of the appellate courts by the appellant, or moving party or person requiring the service, in all cases of appeal, certiorari, habeas corpus, mandamus, injunction, prohibition, or other original proceeding, when initially filed with the clerk of the appellate courts, the sum of ~~\$200~~ \$250 to the clerk of the appellate courts. An additional filing fee of \$100 shall be required for a petition for accelerated review by the supreme court. A filing fee of ~~\$200~~ \$250 shall be paid to the clerk of the appellate courts upon the filing of a petition for review from a decision of the court of appeals. A filing fee of ~~\$200~~ \$250 shall be paid to the clerk of the appellate courts upon the filing of a petition for permission to appeal. A filing fee of \$100 shall be paid to the clerk of the appellate courts upon the filing by a respondent of a notice of review. The clerk shall transmit the fees to the state treasurer for deposit in the state treasury and credit to the general fund.

The clerk shall not file any paper, issue any writ or certificate, or perform any service enumerated herein, until the payment has been made for it. The clerk shall pay the sum into the state treasury as provided for by section 15A.01.

The charges provided for shall not apply to disbarment proceedings, nor to an action or proceeding by the state taken solely in the public interest, where the state is the appellant or moving party, nor to copies of the opinions of the court furnished by the clerk to the parties before judgment, or furnished to the district judge whose decision is under review, or to such law library associations in counties having a population exceeding 50,000, as the court may direct.

Sec. 95. Minnesota Statutes 1992, section 357.18, subdivision 3, is amended to read:

Subd. 3. [SURCHARGE.] In addition to the fees imposed in subdivision 1, a ~~\$2~~ \$4.50 surcharge shall be collected: on each fee charged under subdivision 1, clauses (1) and (6), and for each abstract certificate under subdivision 1, clause (4). ~~Forty~~ Fifty cents of each surcharge shall be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 shall be paid to the state treasury and credited to the general fund.

Sec. 96. Minnesota Statutes 1992, section 484.74, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] Except for good cause shown, in litigation involving an amount in excess of ~~\$50,000~~ \$7,500 in controversy, the presiding judge may shall, by order, direct the parties to enter nonbinding alternative dispute resolution. Alternatives may include private trials, neutral expert fact-finding, mediation, minitrials, and other forms of alternative dispute resolution. The guidelines for the various alternatives must be established by the presiding judge and must emphasize early and inexpensive exchange of information and case evaluation in order to facilitate settlement.

Sec. 97. Minnesota Statutes 1992, section 484.76, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The supreme court shall establish a statewide alternative dispute resolution program for the resolution of civil cases filed with the courts. The supreme court shall adopt rules governing practice, procedure, and jurisdiction for alternative dispute resolution programs established under this section. The rules shall require the use of nonbinding alternative dispute resolution processes in all civil cases, except for good cause shown by the presiding judge, and must provide an equitable means for the payment of fees and expenses for the use of alternative dispute resolution processes.

Sec. 98. [491A.03] [JUDGES; REFEREES.]

The judges of district court shall serve as judges of conciliation court. A majority of the judges of the district may appoint one or more suitable persons to act as referees in conciliation court; a majority of the judges of the district shall establish qualifications for the office, specify the duties and length of service of referees, and fix their compensation not to exceed an amount per day determined by the chief judge of the judicial district.

Sec. 99. Minnesota Statutes 1992, section 508.82, is amended to read:

508.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

- (1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), (10), (12), (13), (14), (16), (17), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a ~~\$2~~ \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with ~~40~~ 50 cents of this surcharge to be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 to be paid to the state treasury and credited to the general fund;
- (2) for registering each original certificate of title, and issuing a duplicate of it, \$30;
- (3) for registering each instrument transferring the fee simple title for which a new certificate of title is issued and for the issuance and registration of the new certificate of title, \$30;
- (4) for the entry of each memorial on a certificate and endorsements upon duplicate certificates, \$15;
- (5) for issuing each residue certificate, \$20;
- (6) for exchange certificates, \$10 for each certificate canceled and \$10 for each new certificate issued;
- (7) for each certificate showing condition of the register, \$10;
- (8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;
- (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;
- (10) for filing two copies of any plat in the office of the registrar, \$30;
- (11) for any other service under this chapter, such fee as the court shall determine;
- (12) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;
- (13) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;
- (14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;
- (15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the condominium plat with a minimum fee of \$10;
- (16) for filing a condominium declaration and plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment thereto;
- (17) for the filing of a certified copy of a plat of the survey pursuant to section 508.23 or 508.671, \$10;
- (18) for filing a registered land survey in triplicate in accordance with section 508.47, subdivision 4, \$30;
- (19) for furnishing a certified copy of a registered land survey in accordance with section 508.47, subdivision 4, \$10.

Sec. 100. Minnesota Statutes 1992, section 508A.82, is amended to read:

508A.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), (10), (12), (13), (14), (16), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a ~~\$2~~ \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with ~~40~~ 50 cents of this surcharge to be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 to be paid to the state treasury and credited to the general fund;

(2) for registering each original CPT, and issuing a duplicate of it, \$30;

(3) for registering each instrument transferring the fee simple title for which a new CPT is issued and for the issuance and registration of the new CPT, \$30;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate CPTs, \$15;

(5) for issuing each residue CPT, \$20;

(6) for exchange CPTs, \$10 for each CPT canceled and \$10 for each new CPT issued;

(7) for each certificate showing condition of the register, \$10;

(8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;

(9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;

(10) for filing two copies of any plat in the office of the registrar, \$30;

(11) for any other service under sections 508A.01 to 508A.85, the fee the court shall determine;

(12) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

(13) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;

(14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

(15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the plat with a minimum fee of \$10;

(16) for filing a condominium declaration and condominium plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment to it;

(17) in counties in which the compensation of the examiner of titles is paid in the same manner as the compensation of other county employees, for each parcel of land contained in the application for a CPT, as the number of parcels is determined by the examiner, a fee which is reasonable and which reflects the actual cost to the county, established by the board of county commissioners of the county in which the land is located;

(18) for filing a registered land survey in triplicate in accordance with section 508A.47, subdivision 4, \$30;

(19) for furnishing a certified copy of a registered land survey in accordance with section 508A.47, subdivision 4, \$10.

Sec. 101. Minnesota Statutes 1992, section 548.23, is amended to read:

548.23 [PLEA OF CONFESSION.]

Judgment in the cases mentioned in section 548.22 may also be entered in the district court in the manner therein provided, and with like effect, upon filing with the court administrator a plea of confession signed by an attorney of such court, together with an instrument signed by the debtor authorizing such confession; but such instrument must be distinct from that containing the bond, contract, or other evidence of the demand for which judgment is confessed. Any person filing a plea of confession and an instrument under this section shall pay the same fee as provided for filing a civil action in district court, except that if the amount of the judgment confessed is not greater than the jurisdictional limit of the conciliation court, the fee shall be in the amount of the filing fee for an action in conciliation court.

Sec. 102. Minnesota Statutes 1992, section 548.30, is amended to read:

548.30 [FEES.]

Any person filing a foreign judgment shall pay to the court administrator the same fee as provided for filing a civil action in district court, except that if the amount of the judgment is not greater than the jurisdictional limit of the conciliation court, the fee shall be in the amount of the filing fee for an action in conciliation court. Fees for docketing, transcription or other enforcement proceedings shall be as provided for judgments of any district court of this state.

Sec. 103. Minnesota Statutes 1992, section 549.02, is amended to read:

549.02 [COSTS IN DISTRICT COURTS.]

Subdivision 1. [DISTRICT COURT.] In actions commenced in the district court, costs shall be allowed as follows:

To plaintiff: (1) Upon a judgment in the plaintiff's favor of \$100 or more in an action for the recovery of money only, ~~\$100~~ \$200. (2) In all other actions, including an action by a public employee for wrongfully denied or withheld employment benefits or rights, except as otherwise specially provided, ~~\$100~~ \$200.

To defendant: Upon discontinuance or dismissal or when judgment is rendered in the defendant's favor on the merits, ~~\$100~~ \$200.

To the prevailing party: \$5.50 for the cost of filing a satisfaction of the judgment.

This section does not apply to actions removed to district court from conciliation court.

Subd. 2. [ON APPEAL.] Upon a judgment on the merits on appeal to the court of appeals or supreme court, additional costs in the amount of \$300 shall be allowed to the prevailing party.

Sec. 104. Minnesota Statutes 1992, section 593.48, is amended to read:

593.48 [COMPENSATION OF JURORS AND TRAVEL REIMBURSEMENT.]

A juror shall be reimbursed for round-trip travel between the juror's residence and the place of holding court and compensated for required attendance at sessions of court and may be reimbursed for additional day care expenses incurred as a result of jury duty at a rate rates determined by the supreme court, and shall be compensated at a rate of \$15 for each day of required attendance at sessions of the court. Except in the eighth judicial district where the state shall pay directly, the compensation and reimbursement shall be paid out of the county treasury upon receipt of authorization to pay from the jury commissioner. These jury costs shall be reimbursed monthly by the supreme court upon submission of an invoice by the county treasurer. A monthly report of payments to jurors shall be sent to the jury commissioner within two weeks of the end of the month in the form required by the jury commissioner.

Sec. 105. Minnesota Statutes 1992, section 609.101, subdivision 4, is amended to read:

Subd. 4. [MINIMUM FINES; OTHER CRIMES.] Notwithstanding any other law:

(1) when a court sentences a person convicted of a felony that is not listed in subdivision 2 or 3, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law; and

(2) when a court sentences a person convicted of a gross misdemeanor or misdemeanor that is not listed in subdivision 2, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law.

The court may not waive payment of the minimum 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 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.

Sec. 106. [609.103] [PAYMENT BY CREDIT CARD.]

The court may permit the defendant to pay any fine, assessment, surcharge, attorney reimbursement obligation, or restitution obligation by credit card. The discount fees assessed by the credit card company shall be borne by the county, except in the eighth judicial district where the cost shall be borne by the state.

Sec. 107. Laws 1989, chapter 335, article 3, section 44, as amended by Laws 1990, chapter 604, article 9, section 13, and Laws 1991, chapter 345, article 3, section 27, is amended to read:

Sec. 44. [APPLICATION.]

Sections 45 to 54, except the parts of section 54, that by their terms have broader application, apply only in the eighth judicial district for the period from January 1, 1990, to December 31, ~~1993~~ 1999.

Those parts of section 54, having broader application, apply statewide for the period from July 1, 1989, to December 31, ~~1993~~ 1999.

Sec. 108. [EARLY RETIREMENT INCENTIVES.]

Subdivision 1. [EMPLOYER PARTICIPATION.] The early retirement incentives provided in this section may be offered to eligible employees by any public employer, as defined in Minnesota Statutes, section 179A.03, subdivision 15. The incentives must be offered to eligible employees of all state agencies if the commissioner of employee relations and the commissioner of finance certify that layoffs in any of the agencies would occur without the incentives.

The incentives in this section do not apply to a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, employed by a local school board.

Subd. 2. [ELIGIBILITY.] A person employed by a public employer offering the incentive is eligible to receive the incentive if the person:

(1) has at least 25 years of combined service credit in any Minnesota public pension plans governed by Minnesota Statutes, section 356.30, subdivision 3, or for purposes of the incentive in subdivision 3, paragraph (b) only, is at least 65 years old and has at least one year of combined service credit in these pension plans;

(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan, if the person is a member of a defined benefit plan;

(3) is at least 55 years of age; and

(4) retires on or after May 17, 1993, and before January 31, 1994.

Subd. 3. [INCENTIVE.] (a) A person may not choose both the incentive in paragraph (b) and the incentive in paragraph (c). An employer that is required to or chooses to offer the incentive must offer each employee eligible for both incentives a choice between the incentive in paragraph (b) or the incentive in paragraph (c), except that employers whose employees are covered under Minnesota Statutes, sections 353.29 and 353.30, need not offer both incentives.

(b) For a person covered by a retirement plan established in Minnesota Statutes, section 352.115, 352.116, 353.29 or 353.30, or chapter 354 or 422A, who selects the incentive under this paragraph, the multiplier percentage used to calculate the retirement annuity must be increased for each year of service credit up to 30 years. The amount of the increase is: (i) .25 for each year of service credit calculated under Minnesota Statutes, section 352.115, 352.116, 353.29, or 353.30, or chapter 422A; and (ii) .10 for each year of service credit calculated under Minnesota Statutes, chapter 354 or 354A. If a person has more than 30 years of service credit, the increased multiplier applies only to the first 30 years.

(c) For a person who selects the incentive under this paragraph, the employer must pay for hospital, medical, and dental insurance, under conditions and limitations specified in this section. A person is eligible for this employer-paid insurance only if the person:

(1) is eligible for employer-paid insurance under a collective bargaining agreement or personnel plan in effect on the day before the effective date of this section;

(2) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement; and

(3) is less than age 65.

(d) An employer that offers incentives under this section may not exclude eligible employees.

Subd. 4. [LIMITS ON REHIRING.] During the biennium ending June 30, 1995:

(1) an executive branch state agency may not hire a replacement for a person who retires under this subdivision except for (i) correctional guards and persons who provide direct patient care in state institutions; (ii) other positions listed in a position-specific written directive issued by the governor, or by the employing constitutional officer for positions in a constitutional office; or (iii) in the case of the state universities and community colleges, after review by the presidents, the governing boards decide on a case-by-case basis which positions must be replaced to provide for continuity of service on the campuses; and

(2) another public employer may not hire a replacement for a person who retires under this subdivision, except under position-specific action of the governing body.

Subd. 5. [CONDITIONS.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85.

Subd. 6. [CONDITIONS; INSURANCE COVERAGE.] A retired employee is eligible for single and dependent insurance coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the person chooses not to receive the retirement benefits for which the person has applied, or when the person is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

Subd. 7. [APPLICATION OF OTHER LAWS.] Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of Minnesota Statutes, chapter 179A. The requirement in this section for an employer to pay health insurance costs for certain retired employees is not subject to the limits in Minnesota Statutes, section 179A.20, subdivision 2a.

Sec. 109. [TRANSFER.]

The responsibilities of the commissioner of administration for the office of dispute resolution are transferred under Minnesota Statutes, section 15.039, to the commissioner of mediation services.

Sec. 110. [REPEALER.]

(a) Minnesota Statutes 1992, section 309.502, is repealed.

(b) Minnesota Statutes 1992, sections 16A.095, subdivision 3; 16A.123; 16A.128; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; and 290A.24, are repealed.

(c) Minnesota Statutes 1992, section 13.072, is repealed effective August 1, 1995.

## Sec. 111. [REVISOR INSTRUCTION.]

In the next edition of Minnesota Statutes, the revisor of statutes shall renumber sections 16A.15, subdivision 1, as 16A.152, subdivision 4; 16A.15, subdivision 5, as 16A.152, subdivision 6; 16A.15, subdivision 6, as 16A.152, subdivision 1; 16A.15, subdivision 7, as 16A.152, subdivision 7; 16A.1541 as 16A.152, subdivision 2. The revisor shall also conform cross-references to the renumbered provisions.

## Sec. 112. [EFFECTIVE DATE.]

(a) Section 34 is effective the day after final enactment and requires an audit for fiscal year 1993.

(b) Section 42 is effective the day following final enactment. Section 42 does not apply if prohibited by contract, but the appointing authority must amend the contract as soon as possible to comply with section 42.

(c) Section 76 is effective retroactively to January 1, 1993.

(d) Sections 86, 87, 88, 89, 90, 108, and 110, paragraph (a), are effective on the day following final enactment.

(e) Section 65 is effective June 30, 1995, and applies to appropriations to the legislature, the senate, the house of representatives, or a legislative commission or committee that are unexpended and unencumbered on June 30, 1995."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; transferring certain duties and functions; amending Minnesota Statutes 1992, sections 3.971, by adding a subdivision; 8.15; 15A.083, by adding a subdivision; 16A.011, subdivisions 5, 6, and 14; 16A.04, subdivision 1; 16A.055, subdivision 1; 16A.06, subdivision 4; 16A.065; 16A.10, subdivisions 1 and 2; 16A.105; 16A.11, subdivisions 1 and 3; 16A.129, by adding a subdivision; 16A.15, subdivisions 1, 5, and 6; 16A.152, by adding subdivisions; 16A.1541; 16A.28; 16A.281; 16A.58; 16A.69, subdivision 2; 16A.72; 16B.24, subdivision 9; 16B.41; 16B.43, subdivision 1; 16B.92; 43A.045; 192.501, subdivision 2; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 240A.02, subdivision 1; 240A.03, by adding a subdivision; 270.063; 271.07; 309.501; 352.96, subdivision 3; 354B.05; 356.24, subdivision 1; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 484.74, subdivision 1; 484.76, subdivision 1; 508.82; 508A.82; 548.23; 548.30; 549.02; 593.48; and 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 3; 11A; 13; 15; 16A; 197; and 609; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 13.072; 16A.095, subdivision 3; 16A.123; 16A.128; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; 290A.24; and 309.502; Laws 1989, chapter 335."

We request adoption of this report and repassage of the bill.

Senate Conferees: RICHARD J. COHEN, GENE MERRIAM, WILLIAM P. LUTHER, PATRICK D. MCGOWAN AND DENNIS R. FREDERICKSON.

House Conferees: RICHARD "RICK" KRUEGER, PHYLLIS KAHN, BOB JOHNSON, JERRY KNICKERBOCKER AND BOB HAUKOOS.

Krueger moved that the report of the Conference Committee on S. F. No. 1620 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker called Rodosovich to the Chair.

S. F. No. 1620, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 8.15; 15.38, by adding a subdivision; 15.50, by adding a subdivision; 15A.083, by adding a subdivision; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 270.063; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; 508.82; 508A.82; and 593.48; Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 129D; 386; and 609; repealing Minnesota Statutes 1992, sections 386.61, subdivision 3; 386.63; 386.64; and 386.70.

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 105 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Hasskamp	Koppendraye	Murphy	Peterson	Sparby
Anderson, I.	Cooper	Haukoos	Krueger	Neary	Pugh	Steensma
Anderson, R.	Dauner	Hausman	Lasley	Nelson	Reding	Tomassoni
Asch	Davids	Hugoson	Leppik	Ness	Rest	Tompkins
Battaglia	Dawkins	Huntley	Lieder	Olson, E.	Rhodes	Trimble
Bauerly	Delmont	Jacobs	Lourey	Olson, K.	Rice	Tunheim
Beard	Dorn	Jaros	Luther	Olson, M.	Rodosovich	Vellenga
Bergson	Evans	Jefferson	Mahon	Opatz	Rukavina	Waltman
Bertram	Farrell	Johnson, R.	Mariani	Orfield	Sarna	Wejzman
Bettermann	Frerichs	Johnson, V.	McCollum	Osthoff	Seagren	Welle
Bishop	Garcia	Kahn	McGuire	Ostrom	Sekhon	Wenzel
Brown, C.	Girard	Kalis	Milbert	Ozment	Simoneau	Winter
Brown, K.	Goodno	Kelley	Morrison	Pauly	Skoglund	Wolf
Carlson	Greenfield	Kinkel	Mosel	Pelowski	Smith	Worke
Carruthers	Greiling	Krickerbocker	Munger	Perlt	Soiberg	Spk. Long

Those who voted in the negative were:

Blatz	Gruenes	Kelso	Lynch	Pawlenty	Vickerman
Commers	Gutknecht	Klinzing	Macklin	Stanius	Wagenius
Dehler	Holsten	Krunkie	Molnau	Sviggum	Weaver
Dempsey	Jennings	Limmer	Onnen	Swenson	Workman
Erhardt	Johnson, A.	Lindner	Orenstein	Van Dellen	

The bill was repassed, as amended by Conference, and its title agreed to.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 413:

Rukavina, Tomassoni and Huntley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1046:

Orenstein, McGuire and Weaver.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1074:

Sekhon; Johnson, V., and Munger.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1105:

Simoneau; Johnson, A., and Ozment.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1275:

Wagenius, Hausman and Weaver.

### MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1613.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1613

A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

May 7, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1613, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment and that S. F. No. 1613 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [COMMUNITY DEVELOPMENT; APPROPRIATIONS.]

The sums shown in the columns 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 years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$ 541,000	\$ 181,368,000	\$ 158,594,000	\$ 340,503,000
Environmental		434,000	434,000	868,000
Trunk Highway		667,000	667,000	1,334,000
Workers' Comp.		21,976,000	15,663,000	37,639,000
TOTAL	541,000	204,445,000	175,358,000	380,344,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1993	1994	1995
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Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation	\$ 500,000	\$ 40,504,000	\$ 24,461,000
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Summary by Fund

General	39,627,000	23,584,000
Environmental	210,000	210,000
Trunk Highway	667,000	667,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Community Development

24,288,000	8,828,000
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\$50,000 is for the purposes of the youth entrepreneurship education program to be available until June 30, 1995. \$30,000 is for a teacher training program. \$20,000 is for creation of a resource center and revolving loan fund. This appropriation is only available as matched, dollar for dollar, by contributions from nonstate sources. Contributions may be made in kind.

\$1,000,000 the first year is for transfer to the tourism loan account in the special revenue fund for the tourism loan program under Minnesota Statutes, section 116J.617.

\$100,000 the first year and \$100,000 the second year is for the affirmative enterprise program. The appropriation is available until expended.

\$50,000 the first year and \$50,000 the second year is for making grants and entering contracts under Minnesota Statutes, section 116J.982.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$25,000 the first year is for concentrated area action plans.

\$6,000,000 the first year is for transfer to the revolving loan fund account in the special revenue fund for the urban challenge grant program under Minnesota Statutes, section 116M.18.

\$6,000,000 the first year is for transfer to the regional revolving loan fund account in the special revenue fund for the challenge grant program to regional organizations under Minnesota Statutes, section 116N.08.

\$5,517,000 the first year and \$5,517,000 the second year are for economic recovery grants, of which \$500,000 may be used for the purposes of the capital access program.

\$226,000 the first year and \$226,000 the second year are for the small cities federal match.

\$500,000 the first year is for transfer to the capital access account in the special revenue fund for the capital access program under Minnesota Statutes, section 116J.876.

Subd. 3. Minnesota Trade Office

	2,026,000	2,040,000
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\$105,000 the first year and \$105,000 the second year are for the foreign international information network.

Subd. 4. Tourism

	7,272,000	6,742,000
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Summary by Fund

General	6,605,000	6,075,000
Trunk Highway	667,000	667,000

To develop maximum private sector involvement in tourism, \$2,000,000 the first year and \$2,000,000 the second year of the amounts appropriated for marketing activities are contingent upon receipt of an equal contribution of nonstate sources that have been certified by the commissioner. Up to one-half of the match may be given in in-kind contributions. This appropriation may not be expended until the money is matched.

In order to maximize marketing grant benefits, the commissioner must give priority for joint venture marketing grants to organizations with year-round sustained tourism activities. For programs and projects submitted, the commissioner must give priority to those that encompass two or more areas or that attract nonresident travelers to the state.

Any unexpended funds from general fund appropriations made under this subdivision shall not cancel but shall be placed in a special advertising account for use by the office of tourism to purchase additional media.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

If an appropriation for either year for grants is not sufficient, the appropriation for the other year is available for it.

\$30,000 the first year is for the international ringette tournament to be held in South St. Paul and Rosemount in 1994.

Up to \$300,000 the first year is for promoting the women's final four basketball tournament to be held in 1995. This appropriation must be matched by nonstate sources on a one-to-one basis.

\$200,000 is for tourism promotion and marketing.

\$214,000 the first year and \$214,000 the second year are for the Minnesota film board. This appropriation is available only upon receipt by the board of \$1 in matching contributions of money or in-kind from nonstate sources for every \$3 provided by this appropriation.

\$25,000 each year is for the Lake Superior Center Authority.

Of the amount appropriated for the joint venture program, up to \$30,000 the first year and up to \$30,000 the second year are available to the Minnesota Indian tourism association. This appropriation must be matched by nonstate sources on a one-to-one basis.

The commissioner may use grant dollars or the value of in-kind services to provide the state contribution for the joint venture grant program.

The office of tourism shall: (1) analyze what travel offices of the 50 states and selected foreign governments are doing to promote tourism, including but not limited to organizational structure, funding sources, and marketing programs; and (2) rank Minnesota's position among the states and countries studied. The office, in consultation with representatives of Minnesota's tourism industry, shall report to the legislature and the governor by January 1, 1994. The report must recommend options for improving the state's competitive position in the industry. The recommendations should deal with assignment of responsibility within state government, funding options for the office of tourism, changes in state law that would enhance tourism, and the creation of a statewide tourism policy.

The commissioner of revenue may disclose the name, address, and phone number of a travel or tourism related business that is authorized to collect sales and use tax to the office of tourism within the department of trade and economic development to be used only within the office of tourism for purposes of contacting travel or tourism related businesses.

Subd. 5. Business Development and Analysis

500,000	5,157,000	5,077,000
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Summary by Fund

General	500,000	4,947,000	4,867,000
Environmental		210,000	210,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$200,000 the first year and \$200,000 the second year are for grants to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. The commissioner may release the funds only upon:

(1) certification that matching funds from each participating organization are available; and

(2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc. for the biennium.

\$450,000 the first year and \$450,000 the second year are for the state's match for the federal small business development centers. If funding in one year is insufficient, the other year's appropriation is available.

\$1,088,000 each year is for job skills partnership grants.

\$190,000 the first year and \$190,000 the second year are for WomenVenture, Inc.

\$65,000 the first year and \$65,000 the second year are for Metropolitan Economic Development Associations, Inc.

\$500,000 in fiscal year 1993 is for job skills partnership grants.

\$25,000 in fiscal year 1994 and \$25,000 in fiscal year 1995 are for a grant to the North Metro Business Retention and Development Commission for the second and third stages of the multicompany business retention and market expansion pilot project. This appropriation is available only upon demonstration of a dollar-for-dollar cash match from the commission. The commission shall share all results and written reports with the department of trade and economic development.

Subd. 6. Administration

1,761,000

1,774,000

Sec. 3. MINNESOTA TECHNOLOGY, INCORPORATED

7,832,000

7,834,000

\$5,198,000 the first year and \$5,198,000 the second year are for transfer from the general fund to the Minnesota Technology, Inc. fund.

\$494,000 the first year and \$494,000 the second year are for grants to Minnesota Project Innovation.

\$947,000 the first year and \$947,000 the second year are for grants to Minnesota Project Outreach.

\$71,000 the first year and \$71,000 the second year are for grants to Minnesota Inventors Congress.

\$947,000 the first year and \$947,000 the second year are for grants to Natural Resources Research Institute.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

\$88,000 the first year and \$88,000 the second year are for grants to Minnesota Council for Quality.

\$50,000 the first year and \$50,000 the second year are for grants to Minnesota High Tech Corridor Corporation.

\$75,000 the first year and \$75,000 the second year are for grants to Cold Weather Research Center.

Sec. 4. MINNESOTA WORLD TRADE CENTER  
CORPORATION

200,000

This appropriation is to pay the accrued operating costs and debt services, including principal and interest, of the corporation. This appropriation in no way constitutes a commitment or obligation by the state of Minnesota to make any payments on obligations of the corporation outstanding as of July 1, 1993. This section is intended to make it clear that the state of Minnesota is not and never has been nor will be responsible for the obligations of the corporation.

This appropriation and money in the corporation accounts are the only money available to the board to make any payment of an obligation of the corporation.

This appropriation is available until June 30, 1995. Balances in the world trade center corporation account in the special revenue fund on June 30, 1995, shall be transferred to the general fund.

Sec. 5. JOBS AND TRAINING

48,879,000

46,895,000

Subdivision 1. Rehabilitation Services

17,612,000

17,612,000

Of this appropriation, \$100,000 in each year is for a cost-of-living adjustment in the Extended Employment Services program in order to maintain the current caseload to the extent possible within this appropriation.

For the biennium ending June 30, 1995, at least 38 percent of the vocational rehabilitation activity budget must be directed toward grants, which are budgeted as aid to individuals and local assistance categories of expense.

The commissioner shall apply for all available federal grants for services to handicapped including funds for the independent living center.

Subd. 2. State Services for the Blind

3,588,000

3,605,000

This appropriation may be supplemented by funds provided by the Friends of the Communication Center, for support of Services for the Blind's Communication Center which serves all blind and visually handicapped Minnesotans. The commissioner shall report to the legislature on a biennial basis the funds provided by the Friends of the Communication Center.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994	1995
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Subd. 3. Job Service

\$100,000 is appropriated to the commissioner of jobs and training for the biennium ending June 30, 1995, for the uniform business identifier study.

Subd. 4. Community Services

27,579,000	25,678,000
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\$880,000 is appropriated from the general fund to the commissioner of jobs and training for operating costs of transitional housing programs under Minnesota Statutes, section 268.38. Of this appropriation, \$440,000 is for the first year and \$440,000 is for the second year.

\$4,200,000 for the first year and \$5,550,000 for the second year is appropriated from the general fund to the commissioner of the department of jobs and training for Minnesota economic opportunity grants to community action agencies. This appropriation is to replace federal funds that are no longer available to community action agencies because of new federal restrictions on the authority to transfer block grant money from the federal Low-Income Home Energy Assistance program to the federal Community Services Block grant.

For the biennium ending June 30, 1995, the commissioner shall transfer to the low-income home weatherization program at least five percent of money received under the low-income home energy assistance block grant in each year of the biennium and shall spend all of the transferred money during the year of the transfer or the year following the transfer. Up to 1.63 percent of the transferred money may be used by the commissioner for administrative purposes.

For the biennium ending June 30, 1995, no more than 1.63 percent of money remaining under the low-income home energy assistance program after transfers to the weatherization program may be used by the commissioner for administrative purposes.

The state appropriation for the temporary emergency food assistance program may be used to meet the federal match requirements.

Of the money appropriated for the summer youth employment programs for fiscal year 1994, \$750,000 is immediately available. Any remaining balance of the immediately available money is available for the year in which it is appropriated. If the appropriation for either year of the biennium is insufficient, money may be transferred from the appropriation for the other year.

Notwithstanding Minnesota Statutes, section 268.022, subdivision 2, the commissioner of finance shall transfer to the general fund from the dedicated fund \$3,054,000 in the first year and \$2,303,000 in the second year of the money collected through the special assessment established in Minnesota Statutes, section 268.022, subdivision 1.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

Of this appropriation, \$5,554,000 the first year and \$2,303,000 the second year are for summer youth employment programs.

Of this appropriation, \$100,000 is to train and certify community action agency weatherization programs to comply with the requirements of Minnesota Statutes, section 144.878, subdivision 5.

Of this appropriation, \$400,000 is to be used for swab teams with priority to be given to those swab teams in greater Minnesota which are affiliated with community action agencies and to those swab teams in cities of the first class which are affiliated with community action agencies or neighborhood-based nonprofit organizations. 3.75 percent of the allocation may be used for administrative costs. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Of this appropriation, \$1,200,000 is for the food shelf program.

Of this appropriation, \$400,000 is for youth employment and for housing for the homeless through the YOUTHBUILD program.

Of the appropriation for the Minnesota economic opportunity grant, the commissioner may use up to nine percent each year for state operations.

Of the appropriation for Head Start, the commissioner of the department of jobs and training may use up to two percent each year for state operations.

Sec. 6. HOUSING FINANCE AGENCY

Subdivision 1. Total Appropriation

21,282,000

17,532,000

This appropriation is for transfer to the housing development fund for the programs specified.

Any state appropriations used to meet match requirements under Title II of the National Affordable Housing Act of 1990, Public Law Number 101-625, 104 Stat. 4079, must be repaid, to the extent required by federal law, to the HOME Investment Trust Fund established by the department of housing and urban development pursuant to Title II of the National Affordable Housing Act of 1990 for the state of Minnesota or for the appropriate participating jurisdiction.

State appropriations to the Minnesota housing finance agency may be granted by the agency to cities or nonprofit organizations to the extent necessary to meet match requirements under Title II of the National Affordable Housing Act of 1990, Public Law Number 101-625, 104 Stat. 4079, provided that other program requirements are met.

Spending limit on cost of general administration of agency programs:

1994	1995
8,990,000	9,305,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$1,250,000 the first year and \$1,250,000 the second year are for a rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.21, subdivision 8c. This appropriation includes \$50,000 in each year for the mental illness crisis housing assistance account.

\$250,000 the first year and \$250,000 the second year are for the home sharing program under Minnesota Statutes, section 462A.05, subdivision 24.

\$3,443,000 the first year and \$3,493,000 the second year are for the affordable rental investment fund program. Affordable rental investment assistance includes loans, credit enhancement, and coinsurance participation.

\$550,000 the first year and \$550,000 the second year are for the acquisition, rehabilitation, or construction of transitional housing units.

\$2,000,000 the first year and \$2,000,000 the second year are for the community rehabilitation fund program.

\$100,000 the first year and \$100,000 the second year are for the capacity building grant program under Minnesota Statutes, section 462A.21, subdivision 3b.

\$187,000 the first year and \$187,000 the second year are for the urban Indian housing program under Minnesota Statutes, section 462A.07, subdivision 15.

\$1,683,000 the first year and \$1,683,000 the second year are for the tribal Indian housing program under Minnesota Statutes, section 462A.07, subdivision 14.

\$186,000 the first year and \$186,000 the second year are for the Minnesota rural and urban homesteading program under Minnesota Statutes, section 462A.057.

The agency may use up to \$1,000,000 of available resources for the purpose of making loans under the Minnesota rural and urban homesteading program established under Minnesota Statutes, section 462A.057, subdivision 1. The commissioner shall report to the relevant finance divisions in the house of representatives and senate on the outcomes of this program January 15 of each year.

\$4,287,000 the first year and \$4,287,000 the second year are for the housing rehabilitation and accessibility program under Minnesota Statutes, section 462A.05, subdivision 14a.

Of this appropriation, \$1,798,000 the first year and \$1,798,000 the second year are for the Housing Trust Fund to be deposited in the housing trust fund account created under Minnesota Statutes, section 462A.201, and used for the purposes provided in that section.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$1,500,000 the first year and \$1,500,000 the second year are for the rent assistance for family stabilization program under Minnesota Statutes, section 462A.205.

\$40,000 the first year and \$40,000 the second year are for a grant to the Minnesota Housing Partnership to be used for grants to the regional housing network organizations that provide housing and homeless prevention information and assistance in greater Minnesota. The regional housing network organizations must use any grant funds received under this section to match private sources of money.

Of this appropriation, \$3,750,000 is for family homeless prevention and assistance program.

Of this appropriation, \$183,000 each year is for the emergency mortgage foreclosure prevention and emergency rental assistance program.

Of this appropriation, \$25,000 each year is for home equity counseling grants.

Of this appropriation, \$50,000 is for a grant to the Northwest Hennepin Human Services Council for a human services enterprise zone demonstration project for coordinated delivery of social services. The pilot project must design a program to:

- (1) establish a zone by setting service delivery boundaries;
- (2) assess barriers to coordinated delivery of housing assistance, health services, family services, and related human service assistance;
- (3) develop methods to simplify service delivery and encourage collaboration among service providers;
- (4) develop cooperative service agreements between agencies and units of government, including municipal, county, state, and federal government units and agencies, school districts, post-secondary education institutions, and other service providers including representatives of organized labor;
- (5) seek waivers of regulations that are barriers to cooperation; and
- (6) evaluate the human service enterprise zone to determine how it may be adapted to serve as a model for the delivery of human services.

By February 1, 1994, the grantee shall prepare an interim report for the agency with findings and recommendations on program design. The agency shall report to the legislature by December 1, 1995, on the implementation of the demonstration project to develop a model human services enterprise zone.

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

Sec. 7. COMMERCE

Subdivision 1. Total Appropriation 14,418,000 14,438,000

Summary by Fund

General	13,867,000	13,886,000
Environmental	224,000	224,000
Special Revenue	327,000	328,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Financial Examinations

5,954,000 6,089,000

Subd. 3. Registration and Analysis

2,661,000 2,523,000

Subd. 4. Petroleum Tank Release Cleanup Board

224,000 224,000

This appropriation is from the petroleum tank release cleanup account in the environmental fund for administration.

Subd. 5. Administrative Services

2,139,000 2,173,000

Subd. 6. Enforcement and Licensing

3,440,000 3,429,000

Summary by Fund

General	3,113,000	3,101,000
Special Revenue	327,000	328,000

\$327,000 the first year and \$328,000 the second year are from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6. If the appropriation from the special revenue fund for either year is insufficient, the appropriation for the other year is available for it.

Sec. 8. NON-HEALTH-RELATED BOARDS

Subdivision 1. Total for this section 1,247,000 1,232,000

Subd. 2. Board of Accountancy 466,000 474,000

Subd. 3. Board of Architecture, Engineering, Land Surveying,  
Landscape Architecture, and Interior Design 591,000 568,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Subd. 4. Board of Barber Examiners	126,000	126,000
Subd. 5. Board of Boxing	64,000	64,000
Sec. 9. LABOR AND INDUSTRY		
Subdivision 1. Total Appropriation	26,024,000	19,710,000

Summary by Fund

General	4,048,000	4,047,000	
Workers' Compensation	21,976,000	15,663,000	

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Workers' Compensation Regulation and Enforcement

	14,961,000	9,410,000
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Summary by Fund

General	100,000	100,000	
Workers' Comp.	14,861,000	9,310,000	

\$5,000,000 the first year from the special compensation fund is for the Daedalus imaging systems project. This appropriation must not be allotted until the commissioner certifies that all information policy office requirements for this project have been met or will be met. This appropriation is available for either year of the biennium.

\$100,000 in the first year and \$100,000 in the second year are for grants to the Vinland Center for rehabilitation service.

Fee receipts collected as a result of providing direct computer access to public workers' compensation data on file with the commissioner must be credited to the general fund.

Subd. 3. Workplace Services

	5,455,000	4,744,000
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Summary by Fund

General	2,704,000	2,703,000	
Workers' Comp.	2,751,000	2,041,000	

This appropriation includes the transfer of the industrial hygiene activity from the department of health. The appropriation for this activity is from the special compensation fund.

\$710,000 the first year from the special compensation fund is for litigation of alleged ergonomic violations cases under the occupational safety and health act (OSHA). This appropriation is available for either year of the biennium.

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1993	1994	1995
Subd. 4. General Support			
	5,608,000	5,556,000	
Summary by Fund			
General	1,244,000	1,244,000	
Workers' Compensation	4,364,000	4,312,000	
<p>\$204,000 the first year and \$204,000 the second year are for labor education and advancement program grants.</p>			
Sec. 10. PUBLIC UTILITIES COMMISSION	41,000	3,371,000	3,071,000
<p>Notwithstanding Minnesota Statutes, section 216B.243, subdivision 6, for any certificate of need application for expansion of the storage capacity for spent nuclear fuel rods, the commission and department shall assess actual amounts billed by the office of administrative hearings and up to \$300,000 of reasonable costs of the commission and department pursuant to Minnesota Statutes, section 216B.62, subdivision 6, during the biennium, subject to the limitations of Minnesota Statutes, section 216B.62, subdivision 2.</p> <p>\$282,000 the first year and \$35,000 the second year are for an electronic storage and retrieval system. This appropriation must not be allotted until the chair of the commission certifies that all information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.</p> <p>\$30,000 the first year is for transfer to the extended area service balloting account in the special revenue fund.</p> <p>\$41,000 of this appropriation is added to the appropriation in Laws 1991, chapter 233, section 10, and is for extended area service balloting costs.</p>			
Sec. 11. PUBLIC SERVICE			
Subdivision 1. Total Appropriation		9,090,000	8,950,000
<p>The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.</p>			
Subd. 2. Telecommunications			
	730,000	752,000	
Subd. 3. Weights and Measures			
	2,948,000	2,845,000	
Subd. 4. Information and Operations Management			
	1,540,000	1,440,000	

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994

1995

\$84,000 the first year is for an electronic imaging system. This appropriation must not be allotted until the commissioner certifies that all of the information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Subd. 5. Energy

3,872,000

3,913,000

\$588,000 the first year and \$588,000 the second year are for transfer to the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential oil-fired heating plants in low-income households, and when necessary, to provide weatherization services to the homes.

\$220,000 the first year and \$220,000 the second year are for transfer to the energy and conservation account established by Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential liquified petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Of this appropriation, \$284,000 in the first year and \$326,000 in the second year are for alternative energy engineering activities. In employing persons to perform these activities, the department shall first offer any positions to persons previously employed by the department of public service during fiscal year 1993 in that capacity. No part of this appropriation may be used for outside consulting.

Subd. 6. Rental Energy Loan and Rebate Program Appropriation

All money, including interest and loan repayments, remaining from the Exxon Oil overcharge money appropriated to the commissioner of public service by Laws 1988, chapter 686, article 1, section 38, that was allocated to the Minnesota housing finance agency is reappropriated to the commissioner for the purposes of this subdivision and is available until spent.

\$1,600,000 is for a contract with an appropriate nonprofit organization, without public bidding, to provide revolving loan funds for a rental energy loan program in metropolitan counties as defined in Minnesota Statutes, section 473.121, subdivision 4. The program is to be marketed and delivered in coordination with other energy services.

The balance is for any purpose consistent with the state energy conservation program.



APPROPRIATIONS  
Available for the Year  
Ending June 30

1994 1995

(e) Institute for Learning and Teaching

90,000 90,000

This appropriation is for Project 120.

(f) Moose Lake Fire and Heritage Museum

25,000

This appropriation is for a grant to the Carlton county historical society to be used by the Onanegozie resource conservation and development council for the development of the Moose Lake Fire and Heritage Museum. This appropriation may not be spent unless it is matched by an equal amount from local sources. The legislature intends that no further direct appropriation will be made for this purpose.

(g) Cloquet-Moose Lake Forest Fire Center

50,000

(h) Nurse Statue

50,000

This appropriation is for a grant to the Marine Corps Coordinating Council for the nurse statue to be located in the atrium of the Veterans Affairs Medical Center in Minneapolis. This appropriation is available until June 30, 1995.

(i) Farmamerica

25,000 25,000

Notwithstanding any other law, this appropriation may be used for operational purposes.

(j) Balances Forward

Any unencumbered balance remaining in this subdivision the first year does not cancel but is available for the second year of the biennium.

Sec. 13. MINNESOTA HUMANITIES COMMISSION

261,000 261,000

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Sec. 14. BOARD OF THE ARTS

Subdivision 1. Total Appropriation

6,254,000 6,254,000

Any unencumbered balance remaining in this section the first year does not cancel but is available for the second year of the biennium.

	APPROPRIATIONS Available for the Year Ending June 30	
	1994	1995
Subd. 2. Operations and Services	669,000	669,000
Subd. 3. Grants Program	4,295,000	4,295,000
Subd. 4. Regional Arts Councils	1,290,000	1,290,000
Sec. 15. MINNESOTA MUNICIPAL BOARD	319,000	280,000
Any unencumbered balance remaining in the first year does not cancel but is available for the second year.		
Sec. 16. UNIFORM LAWS COMMISSION	25,000	25,000
Sec. 17. COUNCIL ON BLACK MINNESOTANS	226,000	225,000
Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.		
Sec. 18. COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE	249,000	248,000
During the biennium ending June 30, 1995, council publications may contain advertising. Receipts from advertising are appropriated to the council for purposes of council publications.		
For the biennium ending June 30, 1995, the council shall report to the legislature on the revenues and expenditures from advertising by February 15 each year.		
Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.		
By November 15, 1993, the council shall submit a financially related audit to the legislature for the most recent two years and a study of the internal control structure performed by an independent accountant licensed by the state of Minnesota.		
Sec. 19. COUNCIL ON ASIAN-PACIFIC MINNESOTANS	201,000	200,000
Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.		
Sec. 20. INDIAN AFFAIRS COUNCIL	473,000	457,000
For the biennium ending June 30, 1995, federal money received for the Indian affairs council is appropriated to the council and added to this appropriation.		
Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.		
Of this appropriation, \$15,000 in the first year is for planning the development of culturally appropriate legal services to indigent clients or tribal representatives who reside in Hennepin county and are involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901, et seq., or the Minnesota Indian family preservation act, Minnesota Statutes 1992, sections 257.35 to 257.3579. This appropriation is available until expended.		

APPROPRIATIONS  
Available for the Year  
Ending June 30

	1994	1995
Sec. 21. SECRETARY OF STATE		
Subdivision 1. Total Appropriation	5,283,000	5,188,000
Subd. 2. Administration	804,000	804,000
Subd. 3. Operations	4,046,000	3,964,000
Subd. 4. Election Administration	433,000	420,000
Sec. 22. ETHICAL PRACTICES BOARD	434,000	429,000
Sec. 23. [TRANSFERS.]		

The amounts that may be spent from this appropriation for each activity are specified in the following subdivisions.

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [CONSTITUTIONAL OFFICERS.] A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the committee on ways and means of the house of representatives before making a transfer under subdivision 1.

Subd. 3. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 24. [BASE CUT TRANSFERS.]

For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.

Sec. 25. [LABOR INTERPRETIVE CENTER; INITIAL BOARD OF DIRECTORS.]

Of the initial appointments to the labor interpretive center board, two members appointed by the governor and the member appointed by the mayor of St. Paul must have two-year initial terms. The initial board of directors must be appointed no later than August 1, 1993.

Sec. 26. [LABOR INTERPRETIVE CENTER; TRANSFER OF APPROPRIATIONS.]

Subdivision 1. [UNENCUMBERED BALANCE.] The unencumbered balance of the appropriation for the labor interpretive center project transferred to the capitol area architectural and planning board in Laws 1991, chapter 345, is transferred to the labor interpretive center account.

Subd. 2. [PROJECT AUTHORIZED BY 1990 LEGISLATURE.] The appropriation in Laws 1990, chapter 610, article 1, section 16, subdivision 4, is transferred to the labor interpretive center account.

Sec. 27. [TRANSFER OF POWERS.]

The powers and duties of the board of abstracters under Minnesota Statutes, sections 386.61 to 386.76 are transferred to the commissioner of commerce. Minnesota Statutes, section 15.039, subdivisions 1 to 6, apply to this transfer.

Sec. 28. [REVISOR INSTRUCTION.]

The revisor shall change the terms "board," "executive secretary," "board of abstracters," or similar terms to "commissioner," "commissioner of commerce," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules with respect to the board of abstracters.

Sec. 29. [CONCENTRATED RESIDENTIAL AREA ACTION PLANS; DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to section 30.

Subd. 2. [CITY.] "City" means a home rule charter or statutory city having no less than 30 percent of its households in renter-occupied residential units as reported in the latest decennial federal census.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.

Subd. 4. [CONCENTRATED RESIDENTIAL AREA.] "Concentrated residential area" means an area of a city that contains the following:

- (1) 50 percent of the residential units in the area are renter occupied;
- (2) not less than half of the residential buildings in the area were built prior to 1970;
- (3) at least 20 percent of the city's population according to the latest decennial federal census lives in the area;
- (4) at least three percent of the city's land area is contained in the area; and
- (5) the median household income for the area is not more than 80 percent of the county median income.

Sec. 30. [CONCENTRATED RESIDENTIAL AREA ACTION PLAN.]

Subdivision 1. [CRITERIA.] For a concentrated residential area a city, with the assistance provided in this section, shall prepare a plan that at a minimum includes the following:

- (1) the demographic and socioeconomic profile of the area's population and a statement of the social needs of the area's residents;
- (2) the condition of private owner-occupied and renter-occupied buildings;
- (3) the vacancy rate and turnover rate of the rental residential buildings;
- (4) the presence of and condition of the area's public facilities;
- (5) the redevelopment objectives of the city for the area;
- (6) the specific activities or means by which the city could implement the revitalization objectives;
- (7) strategies to preserve existing housing;
- (8) strategies to assist low- and moderate-income households to achieve self-sufficiency and meet their identified social needs;

(9) recommendations to the commissioner to facilitate the preservation, reuse, and rehabilitation of the area's housing stock and to increase the self-sufficiency of the area's residents; and

(10) identification of the process that involved the area's residents in the development of the plan.

Subd. 2. [GRANTS.] The commissioner may make grants to cities to complete a concentrated residential neighborhood action plan. The state funds for each grant must be equally matched by city matching money. Matching money may include money from the city general fund, a special fund, grant, or other source.

Subd. 3. [REPORT.] The commissioner shall submit recommendations related to concentrated residential area action plans to the legislature by February 15, 1994.

#### Sec. 31. [UNIFORM BUSINESS IDENTIFIER STUDY.]

Subdivision 1. [FINDINGS.] The current registration process requires each business to deal with multiple agencies, provide redundant information to each and, in general, creates an undue administrative burden on Minnesota businesses. Each agency also produces data that is not easily transferred among state agencies, which in turn results in businesses being asked for the same information from a number of different agencies. The establishment of a uniform process would reduce the burden on businesses and promote the sharing of information among the state agencies, thereby eliminating the costs and burdens of duplicative information gathering and storage.

Subd. 2. [STUDY.] The commissioner of jobs and training shall study the feasibility of establishing a uniform business identifier process for all firms doing business with and within the state.

The proposed study shall:

(1) identify and document the various requirements with which businesses currently must comply in order to legally conduct business within the state;

(2) propose and analyze alternatives for a uniform process of business registration, including a single statewide account number, a unified application form, and an integrated data processing system or systems;

(3) detail the operational impact of installing the process or system;

(4) estimate the costs and benefits, both for the state and for Minnesota businesses, of installing the process;

(5) prepare an estimated implementation timetable;

(6) recommend the structure and composition of the project needed for implementation; and

(7) recommend and analyze the information system technology alternatives, if any, that will be needed to implement the recommended process.

The commissioner of the department of jobs and training, or a designee, shall be the chair of the study and shall provide staff to assist in the study effort. Those state offices, departments, and agencies that interact with Minnesota businesses including, but not limited to, department of jobs and training, secretary of state, department of revenue, department of labor and industry, department of commerce, and the information policy office of the department of administration shall cooperate in this study.

#### Sec. 32. [WORLD TRADE CENTER CORPORATION BOARD; TERMS.]

The terms of the following members of the world trade center corporation board of directors expire on June 30, 1993: (1) legislator members; and (2) members serving on June 30, 1993, who were appointed by the governor for a six-year term.

#### Sec. 33. [WORLD TRADE CENTER; MEDICAL EXPOSITION.]

The \$500,000 appropriation to the department of trade and economic development for transfer to the World Trade Center Corporation made by Laws 1991, chapter 345, article 1, section 23, is to establish an annual medical exposition, trade fair, and health care congress to commence either in 1993 or 1994. The event need not be coordinated and held in conjunction with the World Health Organization's annual international conference on children's health care to commence in Minnesota in 1993.

## Sec. 34. [LIMIT ON ASSESSMENTS.]

The department of public service may not assess more than \$584,000 in fiscal year 1994 and \$626,000 in fiscal year 1995 for alternative energy engineering activities.

Sec. 35. Minnesota Statutes 1992, section 3.30, subdivision 2, as amended by Laws 1993, chapter 4, section 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The majority leader of the senate or a designee, the chair of the senate committee on finance, and the chair of the senate division of finance responsible for overseeing the items being considered by the commission, the speaker of the house of representatives or a designee, the chair of the house committee on ways and means, and the chair of the appropriate finance committee, or division of the house committee responsible for overseeing the items being considered by the commissioner, constitute the legislative advisory commission. The division chair of the finance committee in the senate and the division chair of the appropriate finance committee or division in the house shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house membership of the commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house rules committee, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of finance shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item, ~~except that a recommendation under section 298.2213, subdivision 4, or 298.296, subdivision 1, need only be signed by a majority of the members entitled to vote on the item.~~

Sec. 36. Minnesota Statutes 1992, section 15.38, is amended by adding a subdivision to read:

Subd. 9. [SIBLEY HOUSE.] The Sibley House association may purchase fire, wind, hail, and vandalism insurance and insurance coverage for fine art objects from state appropriations.

Sec. 37. Minnesota Statutes 1992, section 15.50, subdivision 2, is amended to read:

Subd. 2. [CAPITOL AREA PLAN.] (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, ~~herein called the area in this subdivision, which shall initially consist~~ consists of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street extended to a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the centerline of the intersection of Old Kellogg Boulevard and Summit Avenue, thence northeasterly along the centerline of Summit Avenue to the ~~south line of the right-of-way of the Fifth Street ramp, thence southeasterly along the right-of-way of the Fifth Street ramp to~~ the center line of the new West Kellogg Boulevard, thence southerly along the east line of the new West Kellogg Boulevard, to the center line of West Seventh Street, thence northeasterly along the center line of West Seventh Street to the center line of the Fifth Street ramp, thence northwesterly along the center line of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the west line of Cedar Street, thence southeasterly along the west line of Cedar Street to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. If construction of the labor interpretive center does not commence prior to

December 31, 1996, at the site recommended by the board, the boundaries of the capitol area revert to their configuration as of 1992. Pursuant to Under the comprehensive plan, or any a portion thereof of it, the board may regulate, by means of zoning rules adopted pursuant to under the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty, and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty, and architectural integrity of the area. No person shall may undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtaining a zoning permit from the board, and receiving a written certification from the board specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. The commissioner shall make studies and report the results to the board when they request it requests reports for their its planning purpose.

(c) No public building, street, parking lot, or monument, or other construction shall may be built or altered on any public lands within the area unless the plans for the same conforms project conform to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall must show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall may be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, which that may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such A competition shall must be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota, and the board may award one or more premiums in each such competition and may pay such the costs and fees as that may be required for the its conduct thereof. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided such the plans have been considered by the advisory committee described in clause paragraph (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board shall may not adopt any plan under clause paragraph (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee shall may not be contestants under clause (e). The comments and criticism shall must be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose,

(1) the committee shall must be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same data are developed or in the process of preparation, whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area, and a copy of any such data prepared by any public employee or agency shall must be filed with the board promptly upon completion,

(2) The board may employ ~~such~~ stenographic or technical help as that may be reasonable to assist the committee to perform its duties.

(3) When so directed by the board, the committee may serve as, and any member or members ~~thereof~~ of the committee may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee; ~~and~~.

(4) The city of Saint Paul shall advise the board.

(g) The comprehensive plan for the area ~~shall~~ must be developed and maintained in close cooperation with the commissioner of trade and economic development ~~and~~, the planning department and the council for the city of Saint Paul, and the board of the arts, and no ~~such~~ plan or amendment ~~thereof shall~~ of a plan may be effective without 90 days' notice, to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration, jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance, and cleanliness of the public and ceremonial areas of the state capitol building. ~~Pursuant to this power,~~ The board shall consult with and receive advice from the director of the Minnesota state historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed ~~as herein provided shall be~~ under this paragraph are binding upon the commissioner of administration. The provisions of sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45 ~~shall do~~ not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase, or eminent domain proceedings any real property situated in the area described in this section, and it ~~shall~~ may also ~~have the power to~~ acquire an interest less than a fee simple interest in the property, if it finds that ~~it~~ the property is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and ~~acts amendatory thereof~~ amendments to it.

(l) The board shall meet at the call of the chair and at such other times as it may prescribe.

(m) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs, of which ~~such~~ a part as that the commissioner of administration and commissioner of veterans affairs may mutually determine ~~shall~~ must be on the first floor above the ground, and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available, to ~~such~~ other state departments and agencies as the commissioner may deem desirable.

Sec. 38. Minnesota Statutes 1992, section 16A.128, subdivision 2, is amended to read:

Subd. 2. [NO RULEMAKING.] The kinds of fees that need not be fixed by rule unless specifically required by law are:

- (1) fees based on actual direct costs of a service;
- (2) one-time fees;
- (3) fees that produce insignificant revenues;
- (4) fees billed within or between state agencies;
- (5) fees exempt from commissioner approval; or

(6) fees for admissions to or use of facilities operated by the iron range resources and rehabilitation board, if the fees are set according to prevailing market conditions to recover operating costs; or

(7) fees established by the Minnesota historical society.

Sec. 39. Minnesota Statutes 1992, section 16A.28, is amended by adding a subdivision to read:

Subd. 6. [EXCEPTIONS.] Except as provided by law, an appropriation made to the Minnesota historical society, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance remaining at the end of a biennium lapses and shall be returned to the fund from which appropriated. An appropriation made to the society for all or part of a biennium may be spent in either year of the biennium.

Sec. 40. Minnesota Statutes 1992, section 16A.72, is amended to read:

16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- (8) as provided in sections 16B.57 and 85.22; ~~or~~
- (9) income to the Minnesota historical society; or
- (10) as otherwise provided by law.

Sec. 41. Minnesota Statutes 1992, section 16B.06, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] The requirements of subdivision 2 do not apply to state contracts distributing state or federal funds pursuant to the federal Economic Dislocation and Worker Adjustment Assistance Act, United States Code, title 29, section 1651 et seq., or sections 268.9771, 268.978, 268.9781, and 268.9782. For these contracts, the commissioner of jobs and training is authorized to directly enter into state contracts with approval of the governor's job training council and encumber available funds to ensure a rapid response to the needs of dislocated workers. The commissioner shall adopt internal procedures to administer and monitor funds distributed under these contracts.

Sec. 42. Minnesota Statutes 1992, section 44A.01, subdivision 2, is amended to read:

Subd. 2. [BOARD MEMBERSHIP.] ~~(a)~~ The corporation is governed by a board of directors consisting of:

- (1) ~~six~~ four members, representing the international business community, elected to six-year terms by the association of members established under section 4, subdivision 2, clause (5);

(2) ~~three four~~ members, representing the international business community, appointed by the governor, with the advice and consent of the senate, to six year terms serve at the governor's pleasure; and

(3) ~~six legislators appointed under paragraph (b)~~ the mayor of St. Paul or the mayor's designee; and

(4) the commissioners of trade and economic development, agriculture, and commerce.

Members appointed by the governor must be knowledgeable or experienced in international trade in products or services.

~~(b) Legislator members are three members of the senate appointed under the rules of the senate and three members of the house of representatives appointed by the speaker. One member from each house must be appointed from the minority party of that house. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two year terms. A legislator who remains a member of the body from which the legislator was appointed may serve until a successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.~~

Sec. 43. Minnesota Statutes 1992, section 44A.01, subdivision 4, is amended to read:

Subd. 4. [ORGANIZATION.] The board shall elect a chair from the representatives of the international business community appointed by the governor, and an executive committee from its members.

Sec. 44. Minnesota Statutes 1992, section 44A.025, is amended to read:

44A.025 [DUTIES.]

The board shall:

- (1) promote and market the Minnesota world trade center;
- (2) sponsor conferences or other promotional events in the conference and service center;
- (3) adopt bylaws governing operation of the corporation by November 1, 1987;
- (4) ~~establish a Minnesota world trade center club program in accordance with the development agreement;~~
- (5) conduct public relations and liaison activities between the corporation and the international business community;
- (6) ~~(5)~~ establish and maintain an office in the Minnesota world trade center; and
- (7) ~~(6)~~ not duplicate programs or services provided by the commissioner of trade and economic development, the Minnesota trade division, or the commissioner of agriculture.

Sec. 45. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

Subd. 2a. [BROKER PAYMENT CONSOLIDATION.] For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.34, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single check.

Sec. 46. Minnesota Statutes 1992, section 116J.617, is amended to read:

116J.617 [TOURISM LOAN PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioner may establish a tourism revolving loan program and a tourism guarantee loan program to provide loans ~~or~~, participate in loans, or guarantee loans to resorts, campgrounds, lodging facilities, and other tourism-related businesses. The commissioner shall work with financial institutions in making or participating in loans or guaranteeing loans under this section.

Subd. 2. [ELIGIBLE BORROWER.] To receive a loan under this section, the borrower must be a sole proprietorship, partnership, ~~or corporation, or other person~~ engaged in a tourism-related business or other entity that is defined by the standard industrial classification codes of 7011 and 7033 as set out in the Code of Federal Regulations, title 13, section 121.2. An eligible borrower under this section must maintain the business or other entity as a tourism-related entity as defined by this subdivision during the term of the loan. An eligible borrower may not receive a loan or loan guarantee under this section if the borrower has received a tourism-related loan, loan participation, or guarantee made by the state ~~or participated in by the state~~ in the past three years 36 months.

Subd. 3. [ELIGIBLE LOAN.] The maximum loan made or participated in under this section may not be for more than 50 percent of the total cost of the project. Loan proceeds may be used for the following purposes: acquisition of an existing building, building construction and improvement, land site improvement, equipment, other construction costs, and engineering costs. Project-related expenditures made more than 30 days before an application may not be financed by a loan made, guaranteed, or participated in under this section.

Subd. 4. [LOAN TERMS.] The maximum term of a loan made, guaranteed, or participated in under this section may not exceed the useful life of the real property or 80 percent of the useful life of the equipment or machinery, or the following limits, whichever is less:

- (1) ten years for land, building, or other real property;
- (2) five years for equipment or machinery; or
- (3) a weighted average of the limits under clauses (1) and (2) for loans made, guaranteed, or participated in for a combination of real property and equipment or machinery.

The commissioner may establish interest rates for loans made under this section. All loans made must be secured by collateral.

Subd. 5. [TOURISM LOAN ACCOUNT.] The tourism loan account is created in the special revenue fund. The fund consists of money appropriated or transferred to the account and interest collected through the tourism revolving loan program, and gifts, donations, and bequests made to the account. Money in the account is appropriated to the commissioner for purposes of this section. Fees collected through the tourism revolving loan program must be credited to the general fund.

Subd. 6. [INVESTMENT INTEREST.] All interest and profits accruing from the investment of money from the tourism loan account are credited to the account, and any loss incurred in the principal of the investments of the account is debited to the account.

Sec. 47. [116].65] [YOUTH ENTREPRENEURSHIP EDUCATION PROGRAM.]

The commissioner of trade and economic development shall establish a youth entrepreneurship education program to improve the academic and entrepreneurial skills of students and aid in their transition from school to business creation. The program shall strengthen local economies by creating jobs that enable citizens to remain in their communities and to foster cooperation among educators, economic development professionals, business leaders, and representatives of labor.

Sec. 48. [116].874] [AFFIRMATIVE ENTERPRISE PROGRAM.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Business entity" means a sole proprietorship, partnership, limited liability company, or corporation.

(c) "Disabled person" means a person with a disability as defined under section 363.01, subdivision 13.

(d) "Full-time employee" means an employee who is employed for at least 35 hours per week.

Subd. 2. [ESTABLISHMENT.] The commissioner of trade and economic development shall establish the affirmative enterprise program for the purpose of encouraging the full-time employment of disabled persons in areas of economic need. The commissioner shall determine areas of economic need based on present and past levels of unemployment and population loss, and present and past reductions in industrial and business activity.

Subd. 3. [ELIGIBILITY.] A business entity is eligible for an affirmative enterprise grant if it meets the following criteria:

(1) except in the case of a business entity with fewer than ten employees, it employs at least 25 percent of its full-time employees from persons who are not disabled;

(2) it employs at least 50 percent of its full-time employees from disabled persons;

(3) it maintains an integrated work force of nondisabled and disabled persons at the highest possible level;

(4) every full-time employee has an employee status with all accompanying rights and responsibilities;

(5) the following benefits are provided to each full-time employee:

(i) paid vacation;

(ii) paid holidays;

(iii) paid sick leave;

(iv) a personalized career plan;

(v) retirement with employer participation; and

(vi) a copayment health insurance plan;

(6) a full-time employee selected by all employees of the business entity meets with the business entity's management at least once a month;

(7) each full-time employee is informed of other less restrictive employment when it becomes available;

(8) all full-time employees are required to participate in at least two evaluations per year with accompanying wage adjustments; and

(9) profit sharing based on the business entity's performance is provided to all full-time employees.

Subd. 4. [GRANTS.] Affirmative enterprise grants must be used by the business to provide training and support services to disabled persons in conjunction with economic development.

Subd. 5. [PREFERENCE.] Preference for grant awards must be given to a business entity that: (1) offers ownership options or individual personal improvement plans with employer-sponsored training, has a long-term business plan, and is working collaboratively with the local economic development authority or organization; or (2) has a higher percentage of disabled employees than another eligible entity.

Subd. 6. [EXPIRATION.] This section expires July 1, 1995. By January 1, 1995, the management analysis division of the department of administration shall evaluate the program and if warranted based on outcomes recommend to the legislature a funding source for this program and a state agency to administer the program.

Sec. 49. Minnesota Statutes 1992, section 116J.982, is amended to read:

116J.982 [COMMUNITY DEVELOPMENT CORPORATIONS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms in this subdivision have the meanings given them:

(a) "Commissioner" means the commissioner of trade and economic development.

(b) "Economic development region" means an area so designated in the governor's executive order number ~~60~~ 83-15, dated June 12, 1970, as amended March 15, 1983.

(c) "Federal poverty level" means the income level established by the United States Community Services Administration in Code of Federal Regulations, title 45, section 1060.2-2 published annually by the United States Department of Health and Human Services under authority of the Omnibus Budget Reconciliation Act of 1981, Public Law Number 97-35, title VI, section 673(2).

(d) "Low income" means an annual income below the federal poverty level.

(e) A "low-income area" means an area in which (1) ten percent of the population have low incomes, or (2) there is one or more recognized subareas such as a census tract, city, township, or county in which 15 percent of the population have low incomes.

Subd. 2. [ADMINISTRATION.] The commissioner shall administer this section and shall enforce the rules related to the community development corporations adopted by the commissioner except for subdivision 6, which shall be administered by the commissioner of housing finance. The commissioner commissioners of trade and economic development and housing finance may amend, suspend, repeal, or otherwise modify these, separately or jointly, adopt rules as provided for in chapter 14 necessary to implement this section.

Subd. 3. [GRANTS CERTIFICATION; CORPORATIONS ELIGIBLE.] (a) The commissioner shall designate certify a community development corporation as eligible to receive grants under this section if the corporation is a nonprofit corporation incorporated under chapter 317A and meets the other criteria in this subdivision.

(b) The corporation, in its articles of incorporation or bylaws, shall must designate a low-income area as the specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low incomes. Within the metropolitan area as defined in section 473.121, subdivision 2 cities of the first class, a designated community must be an identifiable neighborhood or a combination of neighborhoods but may not be the entire city. Outside cities of the first class, a designated community may be an identifiable neighborhood or neighborhoods, or home rule charter or statutory cities, townships, unincorporated areas, or combinations of those entities. Outside the metropolitan area, designated communities, so far as possible, but may not be an entire economic development region nor cross existing economic development region boundaries except as provided in this section. If a proposed geographic area overlaps the designated community of a community development corporation existing before August 1, 1987, the proposed community development corporation shall obtain the written consent of the existing community development corporation before the proposed corporation may be designated as eligible to receive grants under this section.

(c) The corporation's major purpose, in its articles of incorporation or bylaws, must be economic development, redevelopment, or housing in its designated community.

(d) The corporation shall limit voting membership to residents of its designated area must be tax exempt under section 501, paragraph (c), clause (3), of the Internal Revenue Code of 1986, as amended.

(d) (e) The corporation shall have a board of directors with 15 to 30 members unless the corporation can demonstrate to the satisfaction of the commissioner that a smaller or larger board is more advantageous membership and board of directors of the corporation must be representative of the designated community. At least 40 percent of the directors must have incomes that do not exceed 80 percent of the county median family income or 80 percent of the statewide median family income as determined by the state demographer, whichever is less, and the remaining directors must be members of the business or financial community and the community at large. To the greatest extent possible, and At least 20 percent of the directors shall have low incomes or shall reside in low-income areas described in subdivision 1, paragraph (e), clause (1), or the low-income subarea described in subdivision 1, paragraph (e), clause (2). At least 60 percent of, the directors must be residents of the designated community. Directors who meet the income limitations of this paragraph must be elected by the members of the corporation. The remaining directors may be elected by the members or appointed by the directors who meet the income limitations of this paragraph. Other directors shall be business, financial, or civic leaders or representatives-at-large of the designated community. Notwithstanding the requirements of this paragraph, a corporation which meets board structure requirements for a community housing development corporation under Code of Federal Regulations, title 24, part 92.2, is deemed to meet the board membership requirements of this subdivision.

(e) (f) The corporation shall hire low-income residents of the designated community to fill nonmanagerial and nonprofessional positions shall not discriminate against any persons on the basis of a status protected under chapter 363.

(f) (g) ~~The corporation shall demonstrate that it has or will have~~ can obtain the technical skills to analyze projects, that it is familiar with ~~other~~ available public and private funding sources and economic development, redevelopment, and housing programs, and that it is capable of packaging economic development, redevelopment, and housing projects.

(h) The corporation must have completed two or more economic development, redevelopment, or housing projects within its designated community during the last three years.

Subd. 4. [~~GRANT APPROVAL FOR PROJECTS~~ CERTIFICATION.] ~~The commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community. The commissioner shall certify as a community development corporation any organization which meets the criteria in subdivision 3. The certification is for two years from the date of certification and is renewable. The commissioner shall certify as a community development corporation for a nonrenewable period of three years from the date of certification an organization which meets all the criteria in subdivision 3, except for paragraphs (d) and (h), but which plans to meet those requirements by the end of the three years.~~

As part of the certification process, the commissioner shall resolve disputes concerning boundaries of the designated community of a community development corporation.

Subd. 5. [~~USE OF GRANT GRANTS; ECONOMIC DEVELOPMENT CONTRACTS.~~] The commissioner may ~~approve make~~ a grant to a community development corporation ~~for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and enter into contracts with certified community development corporations for:~~

(1) specific economic development projects within the designated community, such as development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, real estate development, strategic development planning, infrastructure development, or development of resources or facilities necessary for the establishment of a business venture;

(2) dissemination of information about, or taking applications for, programs operated by the commissioner; and

(3) developing the internal organizational capacity to engage in economic development activities such as the partnership activities listed in clause (1).

Subd. 6. [~~ASSIGNEE HOUSING CONTRACTS.~~] ~~The commissioner must be named as an assignee of the rights of a state funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights must provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state funded community development corporation, any assigned money paid to the commissioner must be deposited in the state treasury and credited to the general fund. The commissioner of the housing finance agency may enter into contracts with certified community development corporations for purposes of housing activities associated with economic development activity under subdivision 5.~~

Subd. 6a. [~~SECONDARY MARKET.~~] ~~A community development corporation may sell, at private or public sale, at the price or prices determined by the corporation, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for profit or nonprofit organization, or an individual.~~

Subd. 7. [~~FACTORS FOR GRANT APPROVAL OTHER PROGRAMS.~~] ~~Factors considered by the commissioner in approving a grant to a community development corporation must include the creation of employment opportunities, the maximization of profit, and the effect on securing money from sources other than the state. A certified community development corporation is eligible to participate in a program available to nonprofit organizations which is operated by the commissioners of trade and economic development or housing finance if the certified development corporation meets the requirements of the program.~~

Subd. 7a. [REAL ESTATE LICENSE EXEMPTION.] A certified community development corporation is exempt from the licensure requirements of section 82.20.

Subd. 8. [PROHIBITION.] Grants under this section are not available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 9. [NO EXCLUSION.] A person may not be excluded from participation in a program funded under this section because of race, color, religion, sex, age, or national origin.

Sec. 50. [116].987 [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 116].987 to 116].990.

Subd. 2. [BOARD.] "Board" means the board of invention.

Subd. 3. [COMMERCIAL INVENTION.] "Commercial invention" means new and useful processes, machines, manufacturing procedures, or any new and useful improvements or applications of commercial inventions, regardless of whether or not the invention is patentable.

Subd. 4. [INVENTION.] "Invention" means creative activity resulting in new and potentially useful and applied products or ideas of commercial and social merit. Invention includes commercial and social inventions.

Subd. 5. [SOCIAL INVENTION.] "Social invention" means new procedures, new uses for known procedures, and organizations that change the way in which people relate to their environment or to each other.

Sec. 51. [116].988 [BOARD OF INVENTION.]

Subdivision 1. [MEMBERSHIP.] The board of invention consists of 11 members appointed by the governor, subject to the advice and consent of the senate. One member must be appointed from each of the congressional districts. The remaining members may be appointed at large.

Subd. 2. [TERMS.] The membership terms, removal, and filling of vacancies of board members are as provided in section 15.0575.

Subd. 3. [CHAIR; OTHER OFFICERS.] The board shall annually elect a chair and other officers as necessary from its members.

Subd. 4. [STAFF.] The board may employ an executive director who is knowledgeable in invention and has demonstrated proficiency in the administration of programs relating to invention. The executive director shall perform the duties that the board may require in carrying out its responsibilities.

Sec. 52. [116].989 [POWERS.]

Subdivision 1. [CONTRACTS.] The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. [GIFTS; GRANTS.] The board may apply for, accept, and disburse gifts, grants, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts or grants and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, or agreement. Money received by the board under this subdivision must be deposited in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

Sec. 53. [116].990 [DUTIES.]

Subdivision 1. [GENERAL DUTIES.] The board shall encourage the creation, performance, and appreciation of invention in the state. The board shall investigate and evaluate new methods to enhance invention.

Subd. 2. [GRANT PROGRAM.] The board shall establish an invention grant program to award grants to individuals, nonprofits, or private organizations to encourage the development of both commercial and social inventions.

Subd. 3. [TECHNICAL ASSISTANCE.] The board shall provide information services relating to invention to the general public.

Subd. 4. [COORDINATION.] The board may review all public and private programs relating to invention and innovation.

Subd. 5. [BUDGET.] The board shall adopt an annual budget and work program.

Subd. 6. [REPORT.] The board shall submit a report to the legislature and the governor by January 31 of each year. The report must include a review of invention activities in the state, a review of the board's activities, a listing of grants made under the invention grant program, an evaluation of invention initiatives, and recommendations concerning state support of invention activities.

Subd. 7. [STATE FUNDING PROHIBITED.] No state money may be appropriated to the board. The board must utilize private funds and nonstate public money to fund its activities.

Sec. 54. [116M.14] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this chapter, the following terms have the meaning given them.

Subd. 2. [BOARD.] "Board" means the urban initiative board.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.

Subd. 4. [LOW-INCOME AREA.] "Low-income area" means Minneapolis, St. Paul, and inner ring suburbs as defined by the metropolitan council that had a median household income below \$31,000 as reported in the 1990 census.

Subd. 5. [MINORITY BUSINESS ENTERPRISE.] "Minority business enterprise" means a business that is majority owned and operated by persons belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.

Sec. 55. [116M.15] [URBAN INITIATIVE BOARD.]

Subdivision 1. [CREATION; MEMBERSHIP.] The urban initiative board is created and consists of the commissioners of trade and economic development and jobs and training, the chair of the metropolitan council, and eight members from the general public appointed by the governor. Six of the public members must be representatives from minority business enterprises. No more than four of the public members may be of one gender. All public members must be experienced in business or economic development.

Subd. 2. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.

Subd. 3. [CHAIR; OTHER OFFICERS.] The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as necessary from its members.

Subd. 4. [STAFF.] The commissioner of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary for the board's activities. The services must include personnel, budget, payroll, and contract administration.

Sec. 56. [116M.16] [POWERS.]

Subdivision 1. [CONTRACTS.] The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. [GIFTS; GRANTS; APPROPRIATION.] The board may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, loan, or agreement. Money received by the board under this subdivision must be deposited in a separate account in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

## Sec. 57. [116M.17] [DUTIES.]

Subdivision 1. [GENERAL DUTIES.] The board shall investigate and evaluate methods to enhance urban development, particularly methods relating to economic diversification through minority business enterprises and job creation for minority and other persons in low-income areas. The enterprises shall include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries.

Subd. 2. [TECHNICAL ASSISTANCE.] The board through the department, shall provide technical assistance and development information services to state agencies, regional agencies, special districts, local governments, and the public, with special emphasis on minority communities.

Subd. 3. [BUDGET.] The board shall adopt an annual budget and work program and a biennial budget.

Subd. 4. [REPORTS.] The board shall submit an annual report to the legislature of an accounting of loans made under section 116M.18, including information on loans to minority business enterprises, the impact on low-income areas, and recommendations concerning minority business development and jobs for persons in low-income areas.

## Sec. 58. [116M.18] [URBAN CHALLENGE GRANTS PROGRAM.]

Subdivision 1. [ELIGIBILITY RULES.] The board shall make urban challenge grants for use in low-income areas to nonprofit corporations to encourage private investment, to provide jobs for minority persons and others in low-income areas, to create and strengthen minority business enterprises, and to promote economic development in a low-income area. The board shall adopt rules to establish criteria for determining loan eligibility.

Subd. 2. [CHALLENGE GRANT ELIGIBILITY; NONPROFIT CORPORATION.] The board may enter into agreements with nonprofit corporations to fund loans the nonprofit corporation makes in low-income areas under subdivision 4. A corporation must demonstrate that:

(1) its board of directors includes citizens experienced in development, minority business enterprises, and creating jobs in low-income areas;

(2) it has the technical skills to analyze projects;

(3) it is familiar with other available public and private funding sources and economic development programs;

(4) it can initiate and implement economic development projects;

(5) it can establish and administer a revolving loan account; and

(6) it can work with job referral networks which assist minority and other persons in low-income areas.

Subd. 3. [REVOLVING LOAN FUND.] The board shall establish a revolving loan fund to make grants to nonprofit corporations for the purpose of making loans to new and expanding businesses in a low-income area to promote minority business enterprises and job creation for minority and other persons in low-income areas. Eligible business enterprises include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries. Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the board for approval. The commissioner must give final approval for each loan made by the nonprofit corporation. The amount of a grant may not exceed 50 percent of each loan. The amount of nonstate money must equal at least 50 percent for each loan.

Subd. 4. [BUSINESS LOAN CRITERIA.] (a) The criteria in this subdivision apply to loans made under the urban challenge grant program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the urban challenge grant program.

(c) A loan must be used for a project designed to benefit persons in low-income areas through the creation of job opportunities for them. Among loan applicants, priority must be given, on the basis of the number of permanent jobs created or retained by the project and the proportion of nonpublic money leveraged by the loan. Priority must also be given for loans to the lowest income areas.

(d) The minimum loan is \$5,000 and the maximum is \$150,000.

(e) With the approval of the commissioner, a loan may be used to provide up to 50 percent of the private investment required to qualify for a grant from the economic recovery account.

(f) A loan must be matched by at least an equal amount of new private investment.

(g) A loan may not be used for a retail development project.

(h) The business must agree to work with job referral networks that focus on minority applicants from low-income areas.

Subd. 5. [REVOLVING FUND ADMINISTRATION; RULES.] (a) The board shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered.

(b) Loan repayment amounts equal to one-half of the principal and interest must be deposited in a revolving fund created by the board for challenge grants. The remaining amount of the loan repayment may be deposited in a revolving loan fund created by the nonprofit corporation originating the loan being repaid for further distribution, consistent with the loan criteria specified in subdivision 4.

(c) Administrative expenses of the board may be paid out of the interest earned on loans.

Subd. 6. [RULES.] The board shall adopt rules to implement this section.

Subd. 7. [COOPERATION.] A nonprofit corporation that receives an urban challenge grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.

Subd. 8. [REPORTING REQUIREMENTS.] A corporation that receives a challenge grant shall:

(1) submit an annual report to the board by September 30 of each year that includes a description of projects supported by the urban challenge grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and persons in low-income areas, the source and amount of money collected and distributed by the urban challenge grant program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the board.

Sec. 59. [129D.06] [GRANTS TO ARTS ORGANIZATIONS.]

Subdivision 1. [STATE ARTS ACCOUNT; APPROPRIATION.] The state arts account consists of amounts credited to it by law. Money in the account is appropriated to the board for annual distribution as follows, after deducting the board's reasonable expenses for administration:

(1) 85 percent must be used to fund grants to qualified arts organizations as provided in subdivision 2; and

(2) 15 percent must be distributed to the regional arts councils designated by the board through the board acting as a fiscal agent for the regional arts councils.

Subd. 2. [GRANTS; AMOUNT.] The board shall make grants to qualified arts organizations. The amount of the grant to each organization is the percentage of the organization's three-year average cash operating expense budget for nonprofit arts activities that, when applied to the three-year nonprofit average cash operating expense budgets of all qualified arts organizations, equals the amount available for distribution from the state arts account under subdivision 1. The board shall require an organization that receives a grant under this section to annually report to the board in the form required by the board the purposes for which the grant was used.

As used in this section, "qualified arts organization" means a sponsoring organization as defined in section 129D.01, paragraph (d), that has applied for a grant under this section if the board finds that the organization:

(1) has a three-year average cash operating expense budget for nonprofit arts activities of at least \$100,000, as adjusted annually by a consumer price index determined by the board; and

(2) is a recipient of a grant from the board or from one of the regional arts councils in the fiscal year in which application is made.

Under emergency circumstances as defined by the board, a sponsoring organization may be reevaluated using established review criteria prior to receiving a grant under this section.

A "qualified arts organization" does not include an organization that receives any proceeds from a tax levy under section 450.25.

Sec. 60. [138A.01] [LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.]

Subdivision 1. [ESTABLISHMENT.] The labor interpretive center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.

Subd. 2. [PURPOSE.] The purpose of the labor interpretive center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.

Subd. 3. [BOARD OF DIRECTORS.] The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:

(1) three directors appointed by the governor;

(2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;

(3) three directors appointed by the speaker of the house of representatives; and

(4) three directors appointed by the subcommittee on committees of the senate committee on rules and administration.

Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups. The chairs of the senate committee on jobs, energy, and community development and the house of representatives committee on labor-management relations shall serve as nonvoting members.

The board shall select a chair of the board from its members, and any other officers of the board deemed necessary.

Subd. 4. [LOCATION.] The center must be located in the capital area of St. Paul as defined in section 15.50, subdivision 2, at the site recommended by the capitol area architectural and planning board.

Subd. 5. [MEETINGS OF THE BOARD.] The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to section 471.705.

Subd. 6. [CONFLICT OF INTEREST.] A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.

Subd. 7. [TORT CLAIMS.] The center is a state agency for purposes of section 3.736.

Sec. 61. [138A.02] [CENTER PERSONNEL.]

Subdivision 1. [GENERALLY.] The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.

Subd. 2. [STATUS OF EMPLOYEES.] Employees of the center are executive branch state employees.

Sec. 62. [138A.03] [POWERS; DUTIES; BOARD; CENTER.]

Subdivision 1. [GENERAL POWERS.] The board has the powers necessary for the care, management, and direction of the center. The powers include: (1) overseeing the planning and construction of the center as funds are available; (2) leasing a temporary facility for the center during development of its organization and program; and (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.

Subd. 2. [DUTIES.] The center is a state agency for purposes of the following accounting and budgeting requirements:

- (1) financial reports and other requirements under section 16A.06;
- (2) the state budget system under sections 16A.095, 16A.10, and 16A.11;
- (3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and
- (4) indirect costs under section 16A.127.

Subd. 3. [PROGRAM.] The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools. The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota historical society, and other cultural institutions.

Subd. 4. [BOARD OF GOVERNORS.] The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.

Sec. 63. [138A.04] [LABOR INTERPRETIVE CENTER ACCOUNT.]

The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state board of investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.

Sec. 64. [138A.05] [AUDITS.]

The center is subject to the auditing requirements of sections 3.971 and 3.972.

Sec. 65. [138A.06] [ANNUAL REPORTS.]

The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.

Sec. 66. Minnesota Statutes 1992, section 216B.62, subdivision 3, is amended to read:

Subd. 3. [ASSESSING ALL PUBLIC UTILITIES.] (a) The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to (1) public utilities under section 216A.085, and sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or 6, and alternative energy engineering activity under section 216C.261. The remainder, except the amount assessed against cooperatives and municipalities for alternative energy engineering activity under subdivision 5, shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed ~~one-eighth~~ one-sixth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 67. Minnesota Statutes 1992, section 216B.62, subdivision 5, is amended to read:

Subd. 5. [ASSESSING COOPERATIVES AND MUNICIPALS.] The commission and department may charge cooperative electric associations and municipal electric utilities their proportionate share of the expenses incurred in the adjudication of service area disputes and the costs incurred in the adjudication of complaints over service standards, practices, and rates. Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.026, subdivision 4, are also subject to this section. Neither a cooperative electric association nor a municipal electric utility is liable for costs and expenses in a calendar year in excess of the limitation on costs that may be assessed against public utilities under subdivision 2. A cooperative electric association or municipal electric utility may object to and appeal bills of the commission and department as provided in subdivision 4.

The department shall assess cooperatives and municipalities for the costs of alternative energy engineering activities under section 216C.261. Each cooperative and municipality shall be assessed in proportion that its gross operating revenues for the sale of gas and electric service within the state for the last calendar year bears to the total of those revenues for all public utilities, cooperatives, and municipalities.

Sec. 68. Minnesota Statutes 1992, section 237.295, subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT OF COSTS.] The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to telephone companies, other than amounts chargeable to telephone companies under subdivision 1 ~~or~~ 5, ~~or~~ 6. The remainder must be assessed by the department to the telephone companies operating in this state in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment must be paid into the state treasury within 30 days after the bill has been mailed to the telephone companies. The bill constitutes notice of the assessment and demand of payment. The total amount that may be assessed to the telephone companies under this subdivision may not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during the calendar year. The assessment for the third quarter of each fiscal year must be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed. A telephone company with gross jurisdictional operating revenues of less than \$5,000 is exempt from assessments under this subdivision.

Sec. 69. Minnesota Statutes 1992, section 237.295, is amended by adding a subdivision to read:

Subd. 6. [EXTENDED AREA SERVICE BALLOTING ACCOUNT; APPROPRIATION.] The extended area service balloting account is created as a separate account in the special revenue fund in the state treasury. The commission shall render separate bills to telephone companies only for direct balloting costs incurred by the commission under section 237.161. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the telephone company into the state treasury within 30 days from the date of assessment. Money received under this subdivision must be credited to the extended area service balloting account and is appropriated to the commission.

Sec. 70. Minnesota Statutes 1992, section 239.011, subdivision 2, is amended to read:

Subd. 2. [DUTIES AND POWERS.] To carry out the responsibilities in section 239.01 and subdivision 1, the director:

(1) shall take charge of, keep, and maintain in good order the standard of weights and measures of the state and keep a seal so formed as to impress, when appropriate, the letters "MINN" and the date of sealing upon the weights and measures that are sealed;

(2) has general supervision of the weights, measures, and weighing and measuring devices offered for sale, sold, or in use in the state;

(3) shall maintain traceability of the state standards to the national standards of the National Institute of Standards and Technology;

(4) shall enforce this chapter;

(5) shall grant variances from department rules, within the limits set by rule, when appropriate to maintain good commercial practices or when enforcement of the rules would cause undue hardship;

(6) shall conduct investigations to ensure compliance with this chapter;

(7) may delegate to division personnel the responsibilities, duties, and powers contained in this section;

(8) shall test annually, and approve when found to be correct, the standards of weights and measures used by the division, by a town, statutory or home rule charter city, or county within the state, or by a person using standards to repair, adjust, or calibrate commercial weights and measures;

(9) shall inspect and test weights and measures kept, offered, or exposed for sale;

(10) shall inspect and test, to ascertain if they are correct, weights and measures commercially used to:

(i) determine the weight, measure, or count of commodities or things sold, offered, or exposed for sale, on the basis of weight, measure, or count; and

(ii) compute the basic charge or payment for services rendered on the basis of weight, measure, or count;

(11) shall approve for use and mark weights and measures that are found to be correct;

(12) shall reject, and mark as rejected, weights and measures that are found to be incorrect and may seize them if those weights and measures:

(i) are not corrected within the time specified by the director;

(ii) are used or disposed of in a manner not specifically authorized by the director; or

(iii) are found to be both incorrect and not capable of being made correct, in which case the director shall condemn those weights and measures;

(13) shall weigh, measure, or inspect packaged commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether they contain the amount represented and whether they are kept, offered, or exposed for sale in accordance with this chapter and department rules. In carrying out this section, the director must employ recognized sampling procedures, such as those contained in National Institute of Standards and Technology Handbook 133, "Checking the Net Contents of Packaged Goods";

(14) shall prescribe the appropriate term or unit of weight or measure to be used for a specific commodity when an existing term or declaration of quantity does not facilitate value comparisons by consumers, or creates an opportunity for consumer confusion;

(15) shall allow reasonable variations from the stated quantity of contents, including variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice, only after the commodity has entered commerce within the state;

(16) shall inspect and test petroleum products in accordance with this chapter and chapter 296;

(17) shall distribute and post notices for used motor oil and lead acid battery recycling in accordance with sections 239.54, 325E.11, and 325E.115; and

(18) shall collect inspection fees in accordance with sections 239.10, ~~239.52, and 239.78.~~ and 239.101; and

(19) shall provide metrological services and support to businesses and individuals in the United States who wish to market products and services in the member nations of the European Economic Community, and other nations outside of the United States by:

(i) meeting, to the extent practicable, the measurement quality assurance standards described in the International Standards Organization ISO 9000, Guide 25;

(ii) maintaining, to the extent practicable, certification of the metrology laboratory by a governing body appointed by the European Economic Community; and

(iii) providing calibration and consultation services to metrology laboratories in government and private industry in the United States.

Sec. 71. Minnesota Statutes 1992, section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION; FEE.]

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection must be paid by the owner if the inspection is performed at the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for regular inspections and special services by rule pursuant to section 16A.128, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 239.78 is collected. Money collected by the department for its regular inspections, special services, fees, and penalties must be paid into the state treasury and credited to the state general fund. The director shall inspect all weights and measures annually, or as often as deemed possible within budget and staff limitations.

Sec. 72. [239.101] [INSPECTION FEES.]

Subdivision 1. [FEE SETTING AND COST RECOVERY.] The department shall recover the amount appropriated to the weights and measures program through revenue from two separate fee systems under subdivisions 2 and 3, and according to the fee-setting and cost-recovery requirements in subdivisions 4, 5, and 6.

Subd. 2. [WEIGHTS AND MEASURES FEES.] The director shall charge a fee to the owner for inspecting and testing weights and measures, providing metrology services and consultation, and providing petroleum quality assurance tests at the request of a licensed distributor. Money collected by the director must be paid into the state treasury and credited to the state general fund.

Subd. 3. [PETROLEUM INSPECTION FEE.] A person who owns petroleum products held in storage at a pipeline terminal, river terminal, or refinery shall pay a petroleum inspection fee of 85 cents for every 1,000 gallons sold or withdrawn from the terminal or refinery storage. The commissioner of revenue shall collect the fee. The revenue from the fee must first be applied to cover the amounts appropriated for petroleum product quality inspection expenses, for the inspection and testing of petroleum product measuring equipment, and for petroleum supply monitoring under chapter 216C.

The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report as prescribed by the commissioner of revenue. The commissioner of revenue may collect the inspection fee along with any taxes due under chapter 296.

Subd. 4. [SETTING WEIGHTS AND MEASURES FEES.] The department shall review its schedule of inspection fees at the end of each six months. When a review indicates that the schedule of inspection fees should be adjusted, the commissioner shall fix the fees by rule, in accordance with section 16A.128, to ensure that the fees charged are sufficient to recover all costs connected with the inspections.

Subd. 5. [SETTING PETROLEUM INSPECTION FEE.] When the department estimates that inspection costs will exceed the revenue from the fee, the commissioner shall notify the commissioner of finance. The commissioner of finance shall then request a fee increase from the legislature.

Subd. 6. [COST RECOVERY REQUIREMENTS.] The cost of inspection activities and services not specified in subdivisions 2 and 3, including related overhead costs, must be equitably apportioned and recovered by the fees.

Sec. 73. Minnesota Statutes 1992, section 239.791, subdivision 6, is amended to read:

Subd. 6. [OXYGENATE RECORDS; SELF AUDITS.] A registered oxygenate blender shall ~~commission an attestation engagement performed by a certified public accountant~~ audit records to investigate demonstrate compliance with this section and with EPA oxygenated fuel requirements. The audit report, including the cumulative record of gasoline oxygenate blends, must be submitted to the director, as prescribed by the director, within 120 days after the end of each carbon monoxide control period.

Sec. 74. Minnesota Statutes 1992, section 239.791, subdivision 8, is amended to read:

Subd. 8. [DISCLOSURE.] A person responsible for the product who delivers, distributes, sells, or offers to sell gasoline in a carbon monoxide control area, during a carbon monoxide control period, shall provide, at the time of delivery, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline, the bill or manifest must state: "This fuel must not be sold at retail or used in a carbon monoxide control area." This subdivision does not apply to sales or transfers of gasoline when the gasoline is dispensed into the supply tanks of motor vehicles.

Sec. 75. Minnesota Statutes 1992, section 239.80, subdivision 1, is amended to read:

Subdivision 1. [VIOLATIONS; ACTIONS OF DEPARTMENT.] The director, or any delegated employee shall use the methods in section 239.75 to enforce sections 239.10; 239.101, subdivision 3; 239.761, ~~239.78;~~ 239.79; ~~239.791;~~ and 239.792.

Sec. 76. Minnesota Statutes 1992, section 239.80, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] A person who fails to comply with any provision of section 239.10; 239.101, subdivision 3; 239.761, ~~239.78;~~ 239.79; ~~239.791;~~ or 239.792, is guilty of a misdemeanor.

Sec. 77. Minnesota Statutes 1992, section 257.0755, is amended to read:

257.0755 [OFFICE OF OMBUDSPERSON; CREATION; QUALIFICATIONS; FUNCTION.]

An ombudsperson for families shall be appointed to operate independently but under the auspices of each of the following groups: the Indian Affairs Council, the Spanish-Speaking Affairs Council, the Council on Black Minnesotans, and the Council on Asian-Pacific Minnesotans. Each of these groups shall select its own ombudsperson subject to final approval by the advisory board established under section 257.0768. Each ombudsperson shall serve at the pleasure of the advisory board, shall be in the unclassified service, shall be selected without regard to political affiliation, and shall be a person highly competent and qualified to analyze questions of law, administration, and public policy regarding the protection and placement of children from families of color. In addition, the ombudsperson must be experienced in dealing with communities of color and knowledgeable about the needs of those communities. No individual may serve as ombudsperson while holding any other public office. The ombudsperson shall have the authority to investigate decisions, acts, and other matters of an agency, program, or facility providing protection or placement services to children of color. Money appropriated for each office of ombudsperson from the general fund or the special fund authorized by section 256.01, subdivision 2, clause (15), is under the control of the office of ombudsperson for which it is appropriated.

Sec. 78. Minnesota Statutes 1992, section 268.022, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION AND COLLECTION OF SPECIAL ASSESSMENT.] (a) In addition to all other contributions, assessments, and payment obligations under chapter 268, each employer, except an employer making payments in lieu of contributions under section 268.06, subdivision 25, 26, 27, or 28, is liable for a special assessment levied at the rate of one-tenth of one percent per year on all wages for purposes of the contribution payable under section 268.06, subdivision 2, as defined in section 268.04, subdivision 25. Such assessment shall become due and be paid by each employer to the department of jobs and training on the same schedule and in the same manner as other contributions required by section 268.06.

(b) The special assessment levied under this section shall not affect the computation of any other contributions, assessments, or payment obligations due under this chapter.

(c) Notwithstanding any provision to the contrary, if on June 30 of any year the unobligated balance of the special assessment fund under this section is greater than \$30,000,000, the special assessment for the following year only shall be levied at a rate of 1/20th of one percent on all wages identified for this purpose under this subdivision.

Sec. 79. Minnesota Statutes 1992, section 268.022, subdivision 2, is amended to read:

Subd. 2. [DISBURSEMENT OF SPECIAL ASSESSMENT FUNDS.] (a) The money collected under this section shall be deposited in the state treasury and credited to a dedicated fund to provide for the ~~dislocated worker~~ employment and training programs established under sections 268.975 to 268.98; including vocational guidance, training, placement, and job development.

(b) All money in the dedicated fund is appropriated to the commissioner who must act as the fiscal agent for the money and must disburse the money for the purposes of this section, not allowing the money to be used for any other obligation of the state. All money in the dedicated fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other dedicated funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.

(c) No more than five percent of the dedicated funds collected in each fiscal year may be used by the department of jobs and training for its administrative costs.

(d) Reimbursement for costs related to collection of the special assessment shall be in an amount negotiated between the commissioner and the United States Department of Labor.

(e) The dedicated funds, less amounts under ~~paragraph~~ paragraphs (c), ~~must~~ and (d) shall be allocated as follows:

(1) ~~50~~ 40 percent to be allocated according to paragraph (e) to the substate grantees under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661a in proportion to each substate area's share of the federal allocated funds, to be used to assist dislocated workers under the standards in section 268.98;

(2) ~~50 percent to fund specific programs proposed under the state plan request for proposal process and recommended by the governor's job training council. This fund shall be used for state plan request for proposal programs addressing plant closings or layoffs regardless of size; and~~

(3) ~~in fiscal years 1991, 1992, and 1993, any amounts transferred to the general fund or obligated before July 1, 1991, shall be excluded from the calculation under this paragraph.~~

(e) ~~In the event that a substate grantee has obligated 100 percent of its formula allocated federal funds under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1651 et seq., and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide additional funds to the substate area in an amount equal to the federal formula allocated funds. When a substate grantee has obligated 100 percent of the additional funds provided under this section, and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide further additional funds in amounts equal to the federal formula allocated funds until the substate area receives its proportionate share of funds under paragraph (d), clause (1).~~

(f) ~~By December 31 of each fiscal year each substate grantee and the governor's job training council shall report to the commissioner on the extent to which funds under this section are committed and the anticipated demand for funds for the remainder of the fiscal year. The commissioner shall reallocate those funds that the substate grantees and the council do not anticipate expending for the remainder of the fiscal year to be available for requests from other substate grantees or other dislocated worker projects proposed to the governor's job training council which demonstrate a need for additional funding.~~

(g) ~~Due to the anticipated quarterly variations in the amounts collected under this section, the amounts allocated under paragraph (d) must be based on collections for each quarter. Any amount collected in the final two quarters of the fiscal year, but not allocated, obligated or expended in the fiscal year, shall be available for allocation, obligation and expenditure in the following fiscal year. annually to substate grantees for provision of expeditious response activities under section 268.9771 and worker adjustment services under section 268.9781; and~~

(2) 60 percent to be allocated to activities and programs authorized under sections 268.975 to 268.98.

(f) Any funds not allocated, obligated, or expended in a fiscal year shall be available for allocation, obligation, and expenditure in the following fiscal year.

Sec. 80. Minnesota Statutes 1992, section 268.361, subdivision 6, is amended to read:

Subd. 6. [TARGETED YOUTH.] "Targeted youth" means at-risk persons that who are at least 16 years of age but not older than ~~21~~ 24 years of age, are eligible for the high school graduation incentive program under section 126.22, subdivisions 2 and 2a, or are economically disadvantaged as defined in United States Code, title 29, section 1503, and are part of one of the following groups:

(1) persons who are not attending any school and have not received a secondary school diploma or its equivalent;  
or

(2) persons currently enrolled in a traditional or alternative school setting or a GED program and who, in the opinion of an official of the school, are in danger of dropping out of the school.

Sec. 81. Minnesota Statutes 1992, section 268.361, subdivision 7, is amended to read:

Subd. 7. [VERY LOW INCOME.] "Very low income" means incomes that are at or less than ~~30~~ 50 percent of the area median income for the Minneapolis-St. Paul metropolitan area, adjusted for family size, as estimated by the department of housing and urban development.

Sec. 82. Minnesota Statutes 1992, section 268.362, is amended to read:

268.362 [GRANTS.]

Subdivision 1. [GENERALLY.] (a) The commissioner shall make grants to eligible organizations for programs to provide education and training services to targeted youth. The purpose of these programs is to provide specialized training and work experience to at-risk for targeted youth who have not been served effectively by the current educational system. The programs are to include a work experience component with work projects that result in the rehabilitation, improvement, or construction of (1) residential units for the homeless, or (2) education, social service, or health facilities which are owned by a public agency or a private nonprofit organization.

(b) Eligible facilities must principally provide services to homeless or very low income individuals and families, and include the following:

(1) Head Start or day care centers;

(2) homeless, battered women, or other shelters;

(3) transitional housing;

(4) youth or senior citizen centers; and

(5) community health centers.

Two or more eligible organizations may jointly apply for a grant. The commissioner shall administer the grant program.

Subd. 2. [GRANT APPLICATIONS; AWARDS.] Interested eligible organizations must apply to the commissioner for the grants. The advisory committee must review the applications and provide to the commissioner a list of recommended eligible organizations that the advisory committee determines meet the requirements for receiving a grant. The total grant award for any program may not exceed ~~\$50,000~~ \$80,000 per year. In awarding grants, the advisory committee and the commissioner must give priority to:

(1) continuing and expanding effective programs by providing grant money to organizations that are operating or have operated successfully a successful program that meets the program purposes under section 268.364; and

(2) distributing programs throughout the state through start-up grants for programs in areas that are not served by an existing program.

To receive a grant under this section, the eligible organization must match the grant money with at least an equal amount of nonstate money. The commissioner must verify that the eligible organization has matched the grant money. Nothing in this subdivision shall prevent an eligible organization from applying for and receiving grants for more than one program. A grant received by an eligible organization from the federal Youthbuild Project under United States Code, title 42, section 5091, is nonstate money and may be used to meet the state match requirement. State grant money awarded under this section may be used by grantee organizations for match requirements of a federal Youthbuild Project.

Sec. 83. Minnesota Statutes 1992, section 268.363, is amended to read:

268.363 [ADVISORY COMMITTEE.]

A 13-member advisory committee is established as provided under section 15.059 to assist the commissioner in selecting eligible organizations to receive planning program grants, evaluating the final reports of each organization, and providing recommendations to the legislature. Members of the committee may be reimbursed for expenses but may not receive any other compensation for service on the committee. The advisory committee consists of representatives of the commissioners of education, human services, and jobs and training; a representative of the chancellor of vocational education; a representative of the commissioner of the housing finance agency; the director of the office of jobs policy; and seven public members appointed by the governor. Each of the following groups must be represented by a public member experienced in working with targeted youth: labor organizations, local educators, community groups, consumers, local housing developers, youth between the ages of 16 and ~~24~~ 24 who have a period of homelessness, and other homeless persons. At least three of the public members must be from outside of the metropolitan area as defined in section 473.121, subdivision 2. The commissioner may provide staff to the advisory committee to assist it in carrying out its purpose.

Sec. 84. Minnesota Statutes 1992, section 268.364, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM PURPOSE.] The grants awarded under section 268.362 are for a youth employment and training program directed at targeted youth who are likely to be at risk of not completing their high school education. Each program must include education, work experience, and job skills, and leadership training and peer support components. Each participant must be offered counseling and other services to identify and overcome problems that might interfere with successfully completing the program.

Sec. 85. Minnesota Statutes 1992, section 268.364, subdivision 3, is amended to read:

Subd. 3. [WORK EXPERIENCE COMPONENT.] A work experience component must be included in each program. The work experience component must provide vocational skills training in an industry where there is a viable expectation of job opportunities and. A training subsidy, living allowance, or stipend, not to exceed an amount equal to 100 percent of the poverty line for a family of two as defined in United States Code, title 42, section 673, paragraph (2), may be provided to program participants. The wage or stipend must be provided to participants who are recipients of public assistance in a manner or amount which will not reduce public assistance benefits. The work experience component must be designed so that work projects result in (1) the expansion or improvement of residential units for homeless persons and very low income families, and or (2) rehabilitation, improvement, or construction of eligible education, social service, or health facilities that principally serve homeless or very low income individuals and families. Any work project must include direct supervision by individuals skilled in each specific vocation. Program participants may earn credits toward the completion of their secondary education from their participation in the work experience component.

Sec. 86. Minnesota Statutes 1992, section 268.364, is amended by adding a subdivision to read:

Subd. 6. [LEADERSHIP TRAINING AND PEER SUPPORT COMPONENT.] Each program must provide participants with meaningful opportunities to develop leadership skills such as decision making, problem solving, and negotiating. The program must encourage participants to develop strong peer group ties that support their mutual pursuit of skills and values.

Sec. 87. Minnesota Statutes 1992, section 268.365, subdivision 2, is amended to read:

Subd. 2. [PRIORITY FOR HOUSING.] Any residential or transitional housing units that become available through the program a work project that is part of the program described in section 268.364 must be allocated in the following order:

- (1) homeless individuals targeted youth who have participated in constructing, rehabilitating, or improving the unit;
- (2) homeless families with at least one dependent;
- (3) other homeless individuals;
- (4) other very low income families and individuals; and
- (5) families or individuals that receive public assistance and that do not qualify in any other priority group.

Sec. 88. Minnesota Statutes 1992, section 268.55, is amended to read:

268.55 [FOOD BANK FOODSHELF PROGRAM.]

Subdivision 1. [DISTRIBUTION OF APPROPRIATION.] The economic opportunity office of the department of jobs and training shall distribute funds appropriated to it by law for that purpose to food banks, as defined in section 31.50, subdivision 1, paragraph (b). A food bank qualifies under this section if it is a nonprofit corporation, or is affiliated with to the Minnesota foodshelf association, a statewide association of foodshelves organized as a nonprofit corporation, as defined under section 501(c)(3) of the Internal Revenue Code of 1986, and distributes food to distribute to qualifying foodshelves. A foodshelf qualifies under this section if:

- (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined in section 501(c)(3) of the Internal Revenue Code of 1986;
- (2) it distributes standard food orders without charge to needy individuals. The standard food order must consist of at least a two-day supply or six pounds per person of nutritionally balanced food items;
- (3) it does not limit food distributions to individuals of a particular religious affiliation, race, or other criteria unrelated to need or to requirements necessary to administration of a fair and orderly distribution system;
- (4) it does not use the money received or the food distribution program to foster or advance religious or political views; and
- (5) it has a stable address and directly serves individuals.

Subd. 2. [APPLICATION.] In order to receive money appropriated for food banks under this section, a food bank the Minnesota foodshelf association must apply to the economic opportunity office department of jobs and training. The application must be in a form prescribed by the economic opportunity office and must contain information required by the economic opportunity office to verify that the applicant is a qualifying food bank, and the amount the applicant is entitled to receive under subdivision 3 department of jobs and training and must indicate the proportion of money each qualifying foodshelf shall receive. Applications must be filed at the times and for the periods determined by the economic opportunity office department of jobs and training.

Subd. 3. [DISTRIBUTION FORMULA.] The economic opportunity office Minnesota foodshelf association shall distribute money appropriated distributed to it for by the department of jobs and training to foodshelf programs to qualifying food banks in proportion to the number of individuals served by the each foodshelf programs supplied by the food bank program. The economic opportunity office department of jobs and training shall gather data from applications the Minnesota foodshelf association or other appropriate sources to determine the proportionate amount each qualifying foodshelf program is entitled to receive. The economic opportunity office department of jobs and training may increase or decrease the qualifying food bank's foodshelf program's proportionate amount if it determines the increase or decrease is necessary or appropriate to meet changing needs or demands.

Subd. 4. [USE OF MONEY.] At least 95 96 percent of the money distributed to food banks the Minnesota foodshelf association under this section must be used distributed to foodshelf programs to purchase nutritious food for, transport and coordinate the distribution without charge to qualifying foodshelves serving of nutritious food to needy individuals and families. No more than five four percent of the money may be expended for other expenses, such as rent, salaries, and other administrative expenses of the food banks Minnesota foodshelf association.

Subd. 5. [ENFORCEMENT.] ~~Recipient food banks~~ The Minnesota foodshelf association must retain records documenting expenditure of the money and comply with any additional requirements imposed by the ~~economic opportunity office department of jobs and training~~. The economic opportunity office department of jobs and training may require ~~a food bank receiving funds under this section~~ the Minnesota foodshelf association to report on its use of the funds. The ~~economic opportunity office department of jobs and training~~ may require that the report contain an independent audit. If ineligible expenditures are made by ~~a food bank~~ the Minnesota foodshelf association, the ineligible amount must be repaid to the ~~economic opportunity office department of jobs and training~~ and deposited in the general fund.

Subd. 6. [ADMINISTRATIVE EXPENSES.] All funds appropriated under this section must be distributed to the Minnesota foodshelf association as provided under this section with deduction by the commissioner for administrative expenses limited to 1.8 percent.

Sec. 89. Minnesota Statutes 1992, section 268.914, subdivision 1, is amended to read:

Subdivision 1. [STATE SUPPLEMENT FOR FEDERAL GRANTEEES.] (a) The commissioner of jobs and training shall distribute money appropriated for that purpose to Head Start program grantees to expand services to additional low-income children. Money must be allocated to each project Head Start grantee in existence on the effective date of Laws 1989, chapter 282. Migrant and Indian reservation grantees must be initially allocated money based on the grantees' share of federal funds. The remaining money must be initially allocated to the remaining local agencies based equally on the agencies' share of federal funds and on the proportion of eligible children in the agencies' service area who are not currently being served. A Head Start grantee must be funded at a per child rate equal to its contracted, federally funded base level for program accounts 20 to 26 at the start of the fiscal year. In allocating funds under this paragraph, the commissioner of jobs and training must assure that each Head Start grantee is allocated no less funding in any fiscal year than was allocated to that grantee in fiscal year 1993. 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. 90. [268.92] [LEAD ABATEMENT PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.

(a) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(b) "Certified trainer" means a lead trainer certified by the commissioner of health under section 144.878, subdivision 5.

(c) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(d) "Commissioner" means the commissioner of jobs and training.

(e) "Eligible organization" means a licensed contractor, certified trainer, city, board of health, community health department, community action agency as defined in section 268.52, or community development corporation.

(f) "High risk for toxic lead exposure" has the meaning given in section 144.871, subdivision 7a.

(g) "Licensed contractor" means a contractor licensed by the department of health under section 144.876.

(h) "Removal and replacement abatement" means lead abatement on residential property that requires retrofitting and conforms to the rules established under section 144.878.

(i) "Swab team" has the meaning given in section 144.871, subdivision 9.

Subd. 2. [GRANTS; ADMINISTRATION.] Within the limits of the available appropriation, the commissioner may make demonstration and training grants to eligible organizations for programs to train workers for swab teams and removal and replacement abatement, and to provide swab team services and removal and replacement abatement for residential property.

Grants awarded under this section must be made in consultation with the commissioners of the department of health, and the housing finance agency, and representatives of neighborhood groups from areas at high risk for toxic lead exposure, a labor organization, the lead coalition, community action agencies, and the legal aid society. The consulting team shall review grant applications and recommend awards to eligible organizations that meet requirements for receiving a grant under this section.

Subd. 3. [APPLICANTS.] (a) Interested eligible organizations may apply to the commissioner for grants under this section. Two or more eligible organizations may jointly apply for a grant. Priority shall be given to community action agencies in greater Minnesota and to either community action agencies or neighborhood based nonprofit organizations in cities of the first class. 3.75 percent of the total allocation may be used for administrative costs. Applications must provide information requested by the commissioner, including at least the information required to assess the factors listed in paragraph (d).

(b) The commissioner of jobs and training shall coordinate with the commissioner of health and local boards of health to provide swab team services. Swab teams, administered by the commissioner of jobs and training, that are not engaged daily in fulfilling the requirements of section 144.872, subdivision 5, must deliver swab team services in census tracts known to be at high risk for toxic lead exposure.

(c) Any additional grants shall be made to establish swab teams for primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure.

(d) In evaluating grant applications, the commissioner shall consider the following criteria:

- (1) the use of licensed contractors and certified lead abatement workers for residential lead abatement;
- (2) the participation of neighborhood groups and individuals, as swab team members, in areas at high risk for toxic lead exposure;
- (3) plans for the provision of primary prevention through swab team services in areas at high risk for toxic lead exposure on a census tract basis without environmental lead testing;
- (4) plans for supervision, training, career development, and postprogram placement of swab team members;
- (5) plans for resident and property owner education on lead safety;
- (6) plans for distributing cleaning supplies to area residents and educating residents and property owners on cleaning techniques;
- (7) cost estimates for training, swab team services, equipment, monitoring, and administration;
- (8) measures of program effectiveness; and
- (9) coordination of program activities with other federal, state, and local public health, job training, apprenticeship, and housing renovation programs including the emergency jobs program under sections 268.672 to 268.881.

Subd. 4. [LEAD ABATEMENT CONTRACTORS.] (a) Eligible organizations and licensed lead abatement contractors may participate in the lead abatement program. An organization receiving a grant under this section must assure that all participating contractors are licensed and that all swab team, and removal and replacement employees are certified by the department of health under section 144.878, subdivision 5. Organizations and licensed contractors may distinguish between interior and exterior services in assigning duties and may participate in the program by:

- (1) providing on-the-job training for swab teams;
- (2) providing swab team services to meet the requirements of section 144.872;
- (3) providing removal and replacement abatement using skilled craft workers;
- (4) providing primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure;

(5) providing lead dust cleaning supplies, as described in section 144.872, subdivision 4, to residents; or

(6) instructing residents and property owners on appropriate lead control techniques.

(b) Participating licensed contractors must:

- (1) demonstrate proof of workers' compensation and general liability insurance coverage;
- (2) be knowledgeable about lead abatement requirements established by the department of housing and urban development and the occupational safety and health administration;
- (3) demonstrate experience with on-the-job training programs;
- (4) demonstrate an ability to recruit employees from areas at high risk for toxic lead exposure; and
- (5) demonstrate experience in working with low-income clients.

Subd. 5. [LEAD ABATEMENT EMPLOYEES.] Each worker engaged in swab team services or removal and replacement abatement in programs established under this section must have blood lead concentrations below 15 micrograms per deciliter as determined by a baseline blood lead screening. Any organization receiving a grant under this section is responsible for lead screening and must assure that all workers in lead abatement programs, receiving grant funds under this section, meet the standards established in this subdivision. Grantees must use appropriate workplace procedures to reduce risk of elevated blood lead levels. Grantees and participating contractors must report all employee blood lead levels that exceed 15 micrograms per deciliter to the commissioner of health.

Subd. 6. [ON-THE-JOB TRAINING COMPONENT.] (a) Programs established under this section must provide on-the-job training for swab teams. Training methods must follow procedures established under section 144.878, subdivision 5.

(b) Swab team members must receive monetary compensation equal to the prevailing wage as defined in section 177.42, subdivision 6, for comparable jobs in the licensed contractor's principal business.

Subd. 7. [REMOVAL AND REPLACEMENT COMPONENT.] (a) Within the limits of the available appropriation, programs may be established if a need is identified for removal and replacement abatement in residential properties. All removal and replacement abatement must be done using least-cost methods that meet the standards of section 144.878, subdivision 2. Removal and replacement abatement must be done by licensed lead abatement contractors. All craft work that requires a state license must be supervised by a person with a state license in the craft work being supervised.

(b) The program design must:

- (1) identify the need for trained swab team workers and removal and replacement abatement workers;
- (2) describe plans to involve appropriate groups in designing methods to meet the need for trained lead abatement workers; and

(3) include an examination of how program participants may achieve certification as a part of the work experience and training component. Certification may be achieved through licensing, apprenticeship, or other education programs.

Subd. 8. [PROGRAM BENEFITS.] As a condition of providing lead abatement under this section, an organization may require a property owner to not increase rents on a property solely as a result of a substantial improvement made with public funds under the programs in this section.

Subd. 9. [REQUIREMENTS OF ORGANIZATIONS RECEIVING GRANTS.] An eligible organization that is awarded a training and demonstration grant under this section shall prepare and submit a quarterly progress report to the commissioner beginning three months after receipt of the grant.

Subd. 10. [REPORT.] Beginning in the year in which an appropriation is received, the commissioner shall prepare and submit a lead abatement program report to the legislature and the governor by December 31, and every two years thereafter. At a minimum, the report must describe the programs that received grants under this section, and make recommendations for program changes.

Sec. 91. Minnesota Statutes 1992, section 268.975, subdivision 3, is amended to read:

Subd. 3. [DISLOCATED WORKER.] "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:

(1) has been terminated or who has received a notice of termination from public or private sector employment, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to the previous industry or occupation;

(2) has been terminated or has received a notice of termination of employment as a result of any plant closing or any substantial layoff at a plant, facility, or enterprise;

(3) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age; or

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters, subject to rules to be adopted by the commissioner; or

(5) has been terminated or who has received a notice of termination from employment with a public or nonprofit employer.

~~A dislocated worker must have been working in Minnesota at the time employment ceased.~~

Sec. 92. Minnesota Statutes 1992, section 268.975, subdivision 4, is amended to read:

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 268.978.

Sec. 93. Minnesota Statutes 1992, section 268.975, subdivision 6, is amended to read:

Subd. 6. [PLANT CLOSING.] "Plant closing" means the announced or actual 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 (a) 50 or more employees excluding employees who work less than 20 hours per week; or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week, exclusive of hours of overtime.

Sec. 94. Minnesota Statutes 1992, section 268.975, subdivision 7, is amended to read:

Subd. 7. [PREFEASIBILITY STUDY GRANT, GRANT.] "Prefeasibility study grant" or "grant" means the grant awarded under section 268.978.

Sec. 95. Minnesota Statutes 1992, section 268.975, subdivision 8, is amended to read:

Subd. 8. [SUBSTANTIAL LAYOFF.] "Substantial layoff" means a permanent reduction in the work force, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for (a) at least 50 employees excluding those employees that work less than 20 hours a week; ~~or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week, exclusive of hours of overtime.~~

Sec. 96. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 9. [SUBSTATE GRANTEE.] "Substate grantee" means the agency or organization designated to administer at the local level federal dislocated worker programs pursuant to the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.

Sec. 97. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 10. [WORKER ADJUSTMENT SERVICES.] "Worker adjustment services" means the array of employment and training services designed to assist dislocated workers make the transition to new employment, including basic readjustment assistance, training assistance, and support services.

Sec. 98. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 11. [BASIC READJUSTMENT ASSISTANCE.] "Basic readjustment assistance" means employment transition services that include, but are not limited to: development of individual readjustment plans for participants; outreach and intake; early readjustment; job or career counseling; testing; orientation; assessment, including evaluation of educational attainment and participant interests and aptitudes; determination of occupational skills; provision of occupational information; job placement assistance; labor market information; job clubs; job search; job development; prelayoff assistance; relocation assistance; and programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of plant closings or substantial layoffs.

Sec. 99. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 12. [TRAINING ASSISTANCE.] "Training assistance" means services that will enable a dislocated worker to become reemployed by retraining for a new occupation or industry, enhancing current skills, or relocating to employ existing skills. Training services include, but are not limited to: classroom training; occupational skill training; on-the-job training; out-of-area job search; relocation; basic and remedial education; literacy and English for training non-English speakers; entrepreneurial training; and other appropriate training activities directly related to appropriate employment opportunities in the local labor market.

Sec. 100. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 13. [SUPPORT SERVICES.] "Support services" means assistance provided to dislocated workers to enable their participation in an employment transition and training program. Services include, but are not limited to: family care assistance, including child care; commuting assistance; housing and rental assistance; counseling assistance, including personal and financial; health care; emergency health assistance; emergency financial assistance; work-related tools and clothing; and other appropriate support services that enable a person to participate in an employment and training program.

Sec. 101. [268.9755] [GOVERNOR'S JOB TRAINING COUNCIL.]

Subdivision 1. [DEFINITION.] For purposes of sections 268.022 and 268.975 to 268.98, "governor's job training council" means the state job training coordinating council established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.

Subd. 2. [DUTIES.] The governor's job training council shall provide advice to the commissioner on:

(1) the use of funds made available under section 268.022, including methods for allocation and reallocation of funds and the allocation of funds among employment and training activities authorized under sections 268.975 to 268.98;

(2) performance standards for programs and activities authorized under sections 268.975 to 268.98;

- (3) approval of worker adjustment services plans and dislocation event services grants;
- (4) establishing priorities for provision of worker adjustment services to eligible dislocated workers; and
- (5) the effectiveness of programs and activities authorized in sections 268.975 to 268.98.

Sec. 102. Minnesota Statutes 1992, section 268.976, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] (a) The commissioner shall encourage those business establishments considering a decision to effect a plant closing, substantial layoff, 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.

(b) Notwithstanding section 268.975, subdivision 6, for purposes of this section, "plant closing" means the announced or actual 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 50 or more employees excluding employees who work less than 20 hours per week.

Sec. 103. [268.9771] [RAPID AND EXPEDITIOUS RESPONSE.]

Subdivision 1. [RESPONSIBILITY.] The commissioner shall respond quickly and effectively to announced or actual plant closings and substantial layoffs. Affected workers and employers, as well as appropriate business organizations or associations, labor organizations, substate grantees, state and local government units, and community organizations shall be assisted by the commissioner through either rapid response activities or expeditious response activities as described in this section to respond effectively to a plant closing or mass layoff.

Subd. 2. [COVERAGE.] Rapid response is to be provided by the commissioner where permanent plant closings or substantial layoffs affect at least 50 workers over a 30-day period as evidenced by actual separation from employment or by advance notification of a closing or layoff. Expeditious response is to be provided by worker adjustment services plan grantees in coordination with rapid response activities or where permanent plant closings and substantial layoffs are not otherwise covered by rapid response.

Subd. 3. [COORDINATION.] The commissioner and expeditious response grantees shall coordinate their respective rapid response and expeditious response activities. The roles and responsibilities of each shall be detailed in written agreements and address on-site contact with employer and employee representatives when notified of a plant closing or substantial layoff. The activities include formation of a community task force, collecting and disseminating information related to economic dislocation and available services to dislocated workers, providing basic readjustment assistance services to workers affected by a plant closure or substantial layoff, conducting a needs assessment survey of workers, and developing a plan of action responsive to the worker adjustment services needs of affected workers.

Subd. 4. [RAPID RESPONSE ACTIVITIES.] The commissioner shall be responsible for implementing the following rapid response activities:

(1) establishing on-site contact with employer and employee representatives within a short period of time after becoming aware of a current or projected plant closing or substantial layoff in order to:

- (i) provide information on and facilitate access to available public programs and services; and
- (ii) provide emergency assistance adapted to the particular closure or layoff;

(2) promoting the formation of a labor-management committee by providing:

- (i) immediate assistance in the establishment of the labor-management committee;
- (ii) technical advice and information on sources of assistance, and liaison with other public and private services and programs; and

- (iii) assistance in the selection of worker representatives in the event no union is present;
- (3) collecting and disseminating information related to economic dislocation, including potential closings or layoffs, and all available resources with the state for dislocated workers;
- (4) providing or obtaining appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in effort to avert dislocations;
- (5) disseminating information throughout the state on the availability of services and activities carried out by the dislocated worker unit;
- (6) assisting the local community in developing its own coordinated response to a plant closing or substantial layoff and access to state economic development assistance; and
- (7) promoting the use of prefeasibility study grants under section 268.978.

Subd. 5. [EXPEDITIOUS RESPONSE ACTIVITIES.] Grantees designated to provide worker adjustment services through worker adjustment services plans shall be responsible for implementing the following expeditious response activities:

- (1) establishing on-site contact with employer and employee representatives, not otherwise covered under rapid response, within a short period of time after becoming aware of a current or projected plant closing or mass layoff in order to provide information on available public programs and services;
- (2) obtaining appropriate financial and technical advice and liaison with local economic development agencies and other organizations to assist in efforts to avert dislocations;
- (3) disseminating information on the availability of services and activities carried out by the grantee through its worker adjustment services plan;
- (4) providing basic readjustment assistance services for up to 90 days following the initial on-site meeting with the employer and employee representatives;
- (5) assisting the local community in the development of its own coordinated response to the closure or layoff and access to economic development assistance;
- (6) facilitating the formation of a community task force, if appropriate, to formulate a service plan to assist affected dislocated workers from plant closings and mass layoffs;
- (7) conducting surveys of workers, if appropriate, affected by plant closings or layoffs to identify worker characteristics and worker adjustment service needs; and
- (8) facilitating access to available public or private programs and services, including the development of proposals to provide access to additional resources to assist workers affected by plant closings and substantial layoffs.

Sec. 104. Minnesota Statutes 1992, section 268.978, subdivision 1, is amended to read:

Subdivision 1. [PREFEASIBILITY STUDY GRANTS.] (a) The commissioner may make grants for up to \$10,000 \$15,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings or substantial layoffs. 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.

(b) Interested organizations shall apply to the commissioner for the grants. As part of the application process, applicants must provide a statement of need for a grant, information relating to the work force 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 or substantial layoff, 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.

(c) The commissioner shall respond to the applicant within five working days of receiving the organization's application. The commissioner shall 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.

Sec. 105. [268.9781] [WORKER ADJUSTMENT SERVICES PLANS.]

Subdivision 1. [WORKER ADJUSTMENT SERVICES PLANS.] The commissioner shall establish and fund worker adjustment services plans that are designed to assist dislocated workers in their transition to new employment. Authorized grantees shall submit a worker adjustment services plan biennially, with an annual update, in a form and manner prescribed by the commissioner. The worker adjustment services plan shall include information required in substate plans established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq. and a detailed description of expeditious response activities to be implemented under the plan.

Subd. 2. [GRANTEES.] Entities authorized to submit a worker adjustment services plan include substate grantees and up to six additional eligible organizations. Criteria for selecting the six authorized nonsubstate grantee eligible organizations shall be established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

- (1) the capacity to deliver worker adjustment services;
- (2) an identifiable constituency from which eligible dislocated workers may be drawn;
- (3) a demonstration of a good faith effort to establish coordination agreements with substate grantees in whose geographic area the organization would be operating;
- (4) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and
- (5) sufficient administrative controls to ensure fiscal accountability.

Subd. 3. [COVERAGE.] (a) Persons eligible to receive worker adjustment services under this section include dislocated workers as defined in section 268.975, subdivision 3.

(b) Worker adjustment services available under this section shall also be available to additional dislocated workers as defined in section 268.975, subdivision 3a, when they can be provided without adversely affecting delivery of services to all dislocated workers.

Subd. 4. [SUBSTATE GRANTEE FUNDING.] (a) Funds allocated to substate grantees under section 268.022 for expeditious response activities and worker adjustment services under this section shall be allocated as follows:

(1) one-half of available funds shall be allocated to substate grantees based on an allocation formula prescribed by the commissioner, in consultation with the governor's job training council; and

(2) one-half of available funds shall be allocated based on need as demonstrated to the commissioner in consultation with the governor's job training council.

(b) The formula for allocating substate grantee funds must utilize the most appropriate information available to the commissioner to distribute funds in order to address the state's worker adjustment assistance needs. Information for the formula allocation may include, but is not limited to:

- (1) insured unemployment data;
- (2) dislocated worker special assessment receipts data;
- (3) small plant closing data;
- (4) declining industries data;

(5) farmer-rancher economic hardship data; and

(6) long-term unemployment data.

(c) The commissioner shall establish a uniform procedure for reallocating substate grantee funds. The criteria for reallocating funds from substate grantees not expending their allocations consistent with their worker adjustment services plans to other substate grantees shall be developed by the commissioner in consultation with the governor's job training council.

Sec. 106. [268.9782] [DISLOCATION EVENT SERVICES GRANTS.]

Subdivision 1. [DISLOCATION EVENT SERVICES GRANTS.] The commissioner shall establish and fund dislocation event services grants designed to provide worker adjustment services to workers displaced as a result of larger plant closings and substantial layoffs. Grantees shall apply for a dislocation event services grant by submitting a proposal to the commissioner in a form and manner prescribed by the commissioner. The application must describe the demonstrated need for intervention, including the need for retraining, the workers to be served, the coordination of available local resources, the services to be provided, and the budget plan.

Subd. 2. [GRANTEES.] (a) Entities authorized to submit dislocation event services grants include substate grantees and other eligible organizations. Nonsubstate grantees shall demonstrate they meet criteria established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

(1) the capacity to deliver worker adjustment services;

(2) an ability to coordinate its activities with substate grantees in whose geographic area the organization will be operating;

(3) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and

(4) sufficient administrative controls to ensure fiscal accountability.

(b) For purposes of this section, the state job service may apply directly to the commissioner for a dislocation event services grant only if the effect of a plant closing or substantial layoff is statewide or results in the termination from employment of employees of the state of Minnesota.

Subd. 3. [COVERAGE.] Persons who may receive worker adjustment services under this section are limited to dislocated workers affected by plant closings and substantial layoffs involving at least 50 workers from a single employer.

Subd. 4. [FUNDING.] The commissioner, in consultation with the governor's job training council, may establish an emergency funding process for dislocation event services grants. No more than 20 percent of the estimated budget of the proposed grant may be awarded through this procedure. The grantee shall submit a formal dislocation event services grant application within 90 days of the initial award of emergency funding.

Sec. 107. Minnesota Statutes 1992, section 268.98, is amended to read:

268.98 [PERFORMANCE STANDARDS, REPORTING, COST LIMITATIONS.]

(a) Subdivision 1. [PERFORMANCE STANDARDS.] The commissioner shall establish performance standards for the programs and activities administered or funded through the rapid response program under section 268.977 sections 268.975 to 268.98. The commissioner may use, when appropriate, existing federal 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 dislocated worker program are effectively administered.

~~(b) Not less than 20 percent of the funds expended under this section must be used to provide needs related payments and other supportive services as those terms are used in subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661d(b). This requirement does not apply to the extent that a program proposal requests less than 20 percent of such funds. At the end of the fiscal year, each substate grantee and each grant recipient shall report to the commissioner on the types of services funded under this paragraph and the amounts expended for such services. By January 15 of each year, the commissioner shall provide a summary report to the legislature.~~

Subd. 2. [REPORTS.] (a) Grantees receiving funds under sections 268.9771, 268.978, 268.9781, and 268.9782 shall report to the commissioner information on program participants, activities funded, and utilization of funds in a form and manner prescribed by the commissioner.

(b) The commissioner shall report quarterly to the governor's job training council information on prefeasibility study grants awarded, rapid response and expeditious response activities, worker adjustment services plans, and dislocation event services grants. Specific information to be reported shall be by agreement between the commissioner and the governor's job training council.

(c) The commissioner shall provide an annual report to the governor, legislature, and the governor's job training council on the administration of the programs funded under sections 268.9771, 268.978, 268.9781, and 268.9782.

Subd. 3. [COST LIMITATIONS.] (a) For purposes of sections 268.9781 and 268.9782, funds allocated to a grantee are subject to the following limitations:

(1) a maximum of 15 percent for administration in a worker adjustment services plan and ten percent in a dislocation event services grant;

(2) a minimum of 50 percent for provision of training assistance;

(3) a minimum of ten percent and maximum of 30 percent for provision of support services; and

(4) the balance used for provision of basic readjustment assistance.

(b) A waiver of the cost limitation on providing training assistance may be requested. The waiver may not permit less than 30 percent of the funds be spent on training assistance.

(c) The commissioner shall prescribe the form and manner for submission of an application for a waiver under paragraph (b). Criteria for granting a waiver shall be established by the commissioner in consultation with the governor's job training council.

Sec. 108. Minnesota Statutes 1992, section 298.2211, subdivision 3, is amended to read:

Subd. 3. [PROJECT APPROVAL.] All projects authorized by this section shall be submitted by the commissioner to the iron range resources and rehabilitation board, which shall recommend approval or disapproval or modification of the projects. Each project shall then be submitted to the legislative advisory committee for any review and comment the committee deems appropriate. Prior to the commencement of a project involving the exercise by the commissioner of any authority of sections 469.174 to 469.179, the governing body of each municipality in which any part of the project is located and the county board of any county containing portions of the project not located in an incorporated area shall by majority vote approve or disapprove the project. Any project, as so approved by the board and the applicable governing bodies, if any, together with any comment provided by the legislative advisory committee, detailed information concerning the project, its costs, the sources of its funding, and the amount of any bonded indebtedness to be incurred in connection with the project, shall be transmitted to the governor, who shall approve, disapprove, or return the proposal for additional consideration within 30 days of receipt. No project authorized under this section shall be undertaken, and no obligations shall be issued and no tax increments shall be expended for a project authorized under this section until the project has been approved by the governor.

Sec. 109. Minnesota Statutes 1992, section 298.2213, subdivision 4, is amended to read:

Subd. 4. [PROJECT APPROVAL.] The board shall by August 1, 1987, and each year thereafter prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

- (1) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (2) the prospective benefits of the expenditure exceed the anticipated costs; and
- (3) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects must be submitted to the legislative advisory commission for its review. ~~The list with the recommendation of the legislative advisory commission must be submitted to the governor, who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project. The money for a project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by a member is for further review, the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 110. Minnesota Statutes 1992, section 298.223, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATION.] The taconite environmental protection fund shall be administered by the commissioner of the iron range resources and rehabilitation board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the iron range resources and rehabilitation board, this list shall be submitted to the legislative advisory commission for its review. ~~This list with the recommendation of the legislative advisory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the governor. The commissioner may submit supplemental projects for approval at any time. Supplemental projects approved by the board must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 111. Minnesota Statutes 1992, section 298.28, subdivision 7, is amended to read:

Subd. 7. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1989, 1990, and 1991 according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amount distributed per ton shall be the same as the amount distributed per ton in 1991. In 1994, the amount distributed shall be the distribution per ton for 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. That amount shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

Sec. 112. Minnesota Statutes 1992, section 298.296, subdivision 1, is amended to read:

Subdivision 1. [PROJECT APPROVAL.] The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

- (a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (b) the prospective benefits of the expenditure exceed the anticipated costs; and
- (c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the legislative advisory commission for its review. ~~The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.~~

Sec. 113. Minnesota Statutes 1992, section 303.13, subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

- (1) By service on its registered agent;
- (2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any authorized deputy or clerk in the ~~corporation department of the secretary of state's office~~, two copies thereof and a fee of ~~\$35~~ \$50; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.
- (3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with the address to which service is to be sent and a fee of ~~\$35~~ \$50 and the secretary of state shall mail one copy thereof to the corporation at its the last known address listed on the records of the secretary of state or the address provided by the party requesting service, and the corporation shall have 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 114. Minnesota Statutes 1992, section 303.21, subdivision 3, is amended to read:

Subd. 3. [OTHER INSTRUMENTS.] A fee of ~~\$35~~ \$50 shall be paid to the secretary of state for filing any instrument, other than the annual report required by section 303.14, required or permitted to be filed under the provisions of this chapter. For filing the annual report a fee of \$20 must be paid to the secretary of state. The fees shall be paid at the time of the filing of the instrument.

Sec. 115. Minnesota Statutes 1992, section 322A.16, is amended to read:

322A.16 [FILING IN OFFICE OF SECRETARY OF STATE.]

(a) A signed copy of the certificate of limited partnership, of any certificates of amendment or cancellation or of any judicial decree of amendment or cancellation shall be delivered to the secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit evidence of the executor's authority as a prerequisite to filing. Unless the secretary of state finds that any certificate does not conform to law, upon receipt of a ~~\$35~~ \$50 filing fee and, in the case of a certificate of limited partnership, a ~~\$60~~ \$50 initial fee, the secretary shall:

- (1) endorse on the original the word "Filed" and the day, month and year of the filing; and
- (2) return the original to the person who filed it or a representative.

(b) Upon the filing of a certificate of amendment or judicial decree of amendment in the office of the secretary of state, the certificate of limited partnership shall be amended as set forth in the amendment, and upon the effective date of a certificate of cancellation or a judicial decree of it, the certificate of limited partnership is canceled.

Sec. 116. Minnesota Statutes 1992, section 333.20, subdivision 4, is amended to read:

Subd. 4. The application for registration shall be accompanied by a filing fee of ~~\$35~~ \$50, payable to the secretary of state; ~~provided, however, that a single credit of \$10 shall be given each applicant applying for reregistration of a mark hereunder for each \$10 filing fee paid by applicant for registration of the same trademark prior to the effective date of sections 333.18 to 333.31.~~

Sec. 117. Minnesota Statutes 1992, section 333.22, subdivision 1, is amended to read:

Subdivision 1. Registration of a mark hereunder shall be effective for a term of ten years from the date of registration and, upon application filed within six months prior to the expiration of such term or a renewal thereof, on a form to be furnished by the secretary of state, the registration may be renewed for additional ten-year terms provided that the mark is in use by the applicant at the time of the application for renewal and that there are no intervening rights. A renewal fee of ~~\$22~~ \$25 payable to the secretary of state shall accompany the application for renewal of the registration.

Sec. 118. Minnesota Statutes 1992, section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five-year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five-year period specified in subsection (2). Any such continuation statement must be signed by the secured party, set forth the name, social security number or other tax identification number of the debtor, and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, identify the original statement by file number and filing date, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if the officer has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if the officer physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number, the address of the debtor given in the statement, and the social security number or other tax identification number of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$7 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of \$7 shall be collected if more than one name is required to be indexed or if the secured party chooses to show a trade name for any debtor listed. The uniform fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and does not add additional debtor names to the financing statement shall be \$7. The fee for an amendment adding additional debtor names shall be \$14 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$17. The fee for an amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be \$10.:

(a) for an original financing statement or statement of continuation on a standard form prescribed by the secretary of state, is \$15 for up to two debtor names and \$15 for each additional name thereafter;

(b) for an original financing statement or statement of continuation that is not on a standard form prescribed by the secretary of state, is \$20 for up to two debtor names and \$20 for each additional name thereafter;

(c) for an amendment on a standard form prescribed by the secretary of state that does not add debtor names, is \$15;

(d) for an amendment that is not on a standard form prescribed by the secretary of state and that does not add debtor names, is \$20;

(e) for an amendment on a standard form prescribed by the secretary of state that does add debtor names, is \$15 per debtor name;

(f) for an amendment that is not on a standard form prescribed by the secretary of state that does add debtor names, is \$20 per debtor name; and

(g) for each case in which the filing is subject to subsection (5) of section 336.9-402, \$5 in addition to the fee required above.

In no case will a filing officer accept more than four additional pages per financing statement for filing in the uniform commercial code records.

The secretary of state shall adopt rules for filing, amendment, continuation, termination, removal, and destruction of financing statements.

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if the secured party were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 119. Minnesota Statutes 1992, section 336.9-404, is amended to read:

336.9-404 [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement. The termination statement must set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment; identify the original financing statement by file number and filing date; and be signed by the secured party. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor the secured party shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

(2) On being presented with such a termination statement the filing officer must note it in the index. If a duplicate termination statement is provided, the filing officer shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, the filing officer may remove the originals from the files at any time after receipt of the termination statement, or having no such record, the filing officer may remove them from the files at any time after one year after receipt of the termination statement.

(3) There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, The fee for filing a termination statement on a form that is not the standard form prescribed by the secretary of state is \$5. If the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), is also required.

Sec. 120. Minnesota Statutes 1992, section 336.9-405, is amended to read:

336.9-405 [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403, clause (4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party of record may record an assignment of all or a part of the secured party's rights under a financing statement ~~by the filing. The assignment must be filed~~ in the place where the original financing statement was filed ~~of a separate written statement of. The assignment must be signed by the secured party of record, setting forth. The assignment must state:~~ (i) the name and address of the secured party of record and the debtor as those items appear on the original financing statement or the most recently filed amendment, ~~identifying~~ (ii) the file number and the date of filing of the financing statement, ~~giving~~ (iii) the name and address of the assignee, and ~~containing~~ (iv) a description of the collateral assigned. A copy of the assignment is sufficient ~~as a separate statement~~ if it complies with the preceding sentence.

On presentation to the filing officer of such a ~~separate~~ statement, the filing officer shall mark such separate statement with the date and hour of the filing. The filing officer shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103. The filing officer shall also index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, index the assignment of the financing statement under the name of the assignee.

The uniform fee for filing, indexing, and furnishing filing data about such a ~~separate~~ statement of assignment shall be ~~\$7~~ \$15 for up to two debtor names and \$15 for each additional name thereafter if the statement is in the standard form prescribed by the secretary of state ~~and otherwise shall be \$10, plus. If the statement is in a form that is not the standard form prescribed by the secretary of state, the fee is \$20 for up to two debtor names and \$20 for each additional name thereafter.~~ In each case, ~~if where~~ the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), ~~is also required.~~ An additional fee of \$7 shall be charged if there is more than one name against which the statement of assignment is required to be indexed.

Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, chapter 135.

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 121. Minnesota Statutes 1992, section 336.9-406, is amended to read:

336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]

A secured party of record may by signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, and identifies the original financing statement by file number and filing date. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon being presented with such a statement of release the filing officer shall mark the statement with the hour and date of filing ~~and shall note the same upon the margin of the index of the filing of the financing statement.~~ The uniform fee for filing and noting such a statement of release shall be \$7 if the statement is in the standard form prescribed by the secretary of state ~~and otherwise shall be \$10, plus in each case.~~ If the statement is not on the standard form prescribed by the secretary of state, the fee is \$20. If the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), is also required.

Sec. 122. Minnesota Statutes 1992, section 336.9-407, is amended to read:

336.9-407 [INFORMATION FROM FILING OFFICER.]

(1) If the person filing any financing statement, termination statement, statement of assignment, or statement of release, furnishes the filing officer a copy thereof, the filing officer shall upon request note upon the copy the file number and date and hour of the filing of the original and deliver or send the copy to such person.

(2) Upon request of any person, the filing officer shall conduct a search of the statewide computerized uniform commercial code data base for any effective active financing statements naming a particular debtor ~~and any statement of assignment thereof~~. The filing officer shall report the findings as of ~~that~~ the date and hour of the search by issuing:

(a) a certificate listing the file number, date, and hour of each filing and the names and addresses of each secured party ~~therein~~;

(b) photocopies of those original documents on file and located in the office of the filing officer; or

(c) upon request, both the certificate and the photocopies referred to in (b).

The uniform fee for conducting the search and for preparing a certificate ~~showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies~~, shall be ~~\$7~~ \$15 if the request is in the standard form prescribed by the secretary of state ~~and otherwise~~. This uniform fee shall include up to ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee shall be \$10 \$20 and shall include up to ten photocopies of original documents.

Another fee, at the same rate, shall also be charged for conducting a search and preparing a certificate showing federal and state tax liens on file with the filing officer naming a particular debtor.

There shall be an additional fee of ~~50 cents~~ \$1 per page for each financing statement ~~and each statement of assignment~~ or tax lien listed on the certificate and for each photocopy prepared in excess of the first ~~five~~ ten.

Notwithstanding the fees set in this section, a natural person who is the subject of data must, upon the person's request, be shown the data without charge, and upon request be provided with photocopies of the data upon payment of no more than the actual cost of making the copies.

Sec. 123. Minnesota Statutes 1992, section 336.9-413, is amended to read:

336.9-413 [UNIFORM COMMERCIAL CODE ACCOUNT.]

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement, amendment, assignment, statement of release, or continuation statement is filed, or to whom a request for search is made, shall collect a ~~\$4 the filing fee and forward \$5 of that fee as a surcharge~~ the filing fee and forward \$5 of that fee as a surcharge on each filing or search, ~~except that the surcharge is \$5 during the fiscal year ending June 30, 1993~~. By the 15th day following the end of each fiscal quarter, each county recorder shall forward the receipts from the surcharge accumulated during that fiscal quarter to the secretary of state. The surcharge does not apply to a search request made by a natural person who is the subject of the data to be searched except when a certificate is requested as a part of the search.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund.

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 336.9-411 to 336.9-413 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing information contained in the computerized records maintained by the secretary of state must be deposited in the state treasury and credited to the uniform commercial code account.

(f) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under section 336.9-411 and to provide electronic-view-only access to other computerized records maintained by the secretary of state.

Sec. 124. Minnesota Statutes 1992, section 336A.04, subdivision 3, is amended to read:

Subd. 3. [FEES.] (a) The fee for filing and indexing a standard form for a lien notice, effective financing statement, ~~amendment~~, or continuation statement, and stamping the date and place of filing on a copy of the filed document furnished by the filing party is ~~\$10 when a single debtor name is listed. If more than one debtor's name is listed on a standard form, the fee is \$17. If one debtor's name is listed on a nonstandard effective filing statement, assignment or continuation statement, or a nonstandard lien notice or assignment of a lien notice, the fee is \$13. If more than one debtor's name is listed on a nonstandard form, the fee is \$20~~ \$15 for up to two debtor names and \$15 for each additional name thereafter.

(b) ~~The fee for filing an amendment on the standard form that does not add debtors' names to the lien notice or effective financing statement is \$10. If a nonstandard form is used, the fee is \$13. The fee for an amendment that adds debtors' names is \$17 if a standard form is used or \$20 if a nonstandard form is used. The fee for filing a partial release is \$10 if a standard form is used or \$13 if a nonstandard form is used.~~

(e) A fee may not be charged for filing a termination statement if the termination is filed within 30 days after satisfaction of the lien or security interest. Otherwise, the fee is \$10.

~~(d)~~ (c) A county recorder shall forward \$5 of each filing fee collected under this subdivision to the secretary of state by the 15th of the month following the end of each fiscal quarter. The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund. The balance of the filing fees collected by a county recorder must be deposited in the general fund of the county.

Sec. 125. Minnesota Statutes 1992, section 336A.09, subdivision 2, is amended to read:

Subd. 2. [SEARCHES; FEES.] (a) If a person makes a request, the filing officer shall conduct a search of the computerized filing system for effective financing statements or lien notices and statements of ~~assignment, continuation, amendment, and partial release~~ of a particular debtor. The filing officer shall report the date, time, and results of the search by issuing:

(1) a certificate listing the file number, date, and hour of each effective financing statement found in the search and the names and addresses of each secured party on the effective financing statements or of each lien notice found in the search and the names and address of each lienholder on the lien notice;

(2) photocopies of the original effective financing statement or lien notice documents on file; or

(3) upon request, both the certificate and photocopies of the effective financing statements or lien notices.

(b) ~~The uniform fee for conducting a search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, is \$10~~ \$15 per debtor name if the request is in the standard form prescribed by the secretary of state and otherwise is \$13. This uniform fee shall include ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee is \$20 per debtor name and shall include ten photocopies of original documents. An additional fee of ~~50 cents~~ \$1 per page must be charged for each listed filing and for each photocopy prepared in excess of the first ~~five~~ ten. If an oral or facsimile response is requested, there is an additional fee of \$5 per debtor name requested.

(c) A county recorder shall forward ~~\$3~~ \$5 of each search fee collected under this subdivision to the secretary of state by the 15th of the month following each fiscal quarter. The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund. The balance of the search fees collected by a county recorder must be deposited in the general fund of the county.

Sec. 126. Minnesota Statutes 1992, section 349A.10, subdivision 5, is amended to read:

Subd. 5. [DEPOSIT OF NET PROCEEDS.] Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources trust fund, 11 percent must be credited to the state arts account created in section 129D.06, for distribution as provided in that section, and the remainder must be credited to the general fund.

Sec. 127. Minnesota Statutes 1992, section 359.01, subdivision 3, is amended to read:

Subd. 3. [FEES.] The fee for each commission shall not exceed \$40. All fees shall be retained by the commissioner and shall be nonreturnable except that an overpayment of any fee shall be the subject of a refund upon proper application.

Sec. 128. Minnesota Statutes 1992, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT.]

~~A notary commissioned under section 359.01 holds office for six years, unless sooner removed by the governor or the district court. Before entering upon the duties of office, a newly commissioned notary shall file the notary's oath of office with the secretary of state. Within 30 days before the expiration of the commission a notary may be reappointed for a new term to commence and to be designated in the new commission as beginning upon the day immediately following the date of the expiration. The reappointment takes effect and is valid although the appointing governor may not be in the office of governor on the effective day.~~

Subdivision 1. [EXPIRATION IN 1995.] Notary commissions issued before January 3, 1995, expire on January 31, 1995.

Subd. 2. [SIX-YEAR LICENSING PERIOD.] Notary commissions issued after January 31, 1995, expire at the end of the licensing period that will end every sixth year following January 31, 1995.

Subd. 3. [PARTIAL LICENSING PERIODS.] Notary commissions issued during a licensing period expire at the end of that period as set forth in this section.

Sec. 129. Minnesota Statutes 1992, section 386.65, is amended to read:

386.65 [EXAMINATION OF APPLICANTS FOR LICENSE.]

Subdivision 1. Applications for a license shall be made to the board commissioner and shall be upon a form to be prepared by the board commissioner and contain such information as may be required by it. Upon receiving such application, the board commissioner shall fix a time and place for the examination of such applicant. Notice of such examination shall be given to the applicant by certified mail, who shall thereon take the examination pursuant to such notice. The examination shall be conducted by the board commissioner under such rules as the board commissioner may prescribe, and such rules shall prescribe that the applicant must show qualification by experience, education or training to qualify as being capable of performing the duties of an abstractor whose work will be for the use and protection of the public. If application is made by a firm or corporation, one of the members or managing officials thereof shall take such examination. If the applicant successfully passes the examination and complies with all the provisions of sections 386.61 to 386.76, the board commissioner shall ~~cause its executive secretary to~~ issue a license to the applicant.

Sec. 130. Minnesota Statutes 1992, section 386.66, is amended to read:

386.66 [BOND OR ABSTRACTER'S LIABILITY INSURANCE POLICY.]

Before a license shall be issued, the applicant shall file with the board commissioner a bond or abstractor's liability insurance policy to be approved by the ~~chair or executive secretary~~ commissioner, running to the state of Minnesota in the penal sum of at least \$100,000 conditioned for the payment by such abstractor of any damages that may be sustained by or accrue to any person by reason of or on account of any error, deficiency or mistake arising wrongfully or negligently in any abstract, or continuation thereof, or in any certificate showing ownership of, or interest in, or

liens upon any lands in the state of Minnesota, whether registered or not, made by and issued by such abstractor, provided however, that the aggregate liability of the surety to all persons under such bond shall in no event exceed the amount of such bond. In any county having more than 200,000 inhabitants the bond or insurance policy required herein shall be in the penal sum of at least \$250,000. Applicants having cash or securities or deposit with the state of Minnesota in an amount equal to the said bond or insurance policy shall be exempt from furnishing the bond or an insurance policy herein required but shall be liable to the same extent as if a bond or insurance policy has been given and filed. The bond or insurance policy required hereunder shall be written by some surety or other company authorized to do business in this state issuing bonds or abstractor's liability insurance policies and shall be issued for a period of one or more years, and renewed for one or more years at the date of expiration as principal continues in business. The aggregate liability of such surety on such bond or insurance policy for all damages shall, in no event, exceed the sum of said bond or insurance policy.

Sec. 131. Minnesota Statutes 1992, section 386.67, is amended to read:

386.67 [LICENSED ABSTRACTER, SEAL.]

A licensed abstractor furnishing abstracts of title to real property under the provisions hereof shall provide a seal, which seal shall show the name of such licensed abstractor, and shall file with the ~~executive secretary of the board commissioner~~ an impression of or copy made by such seal and the signatures of persons authorized to sign certificates on abstracts and continuations of abstracts and certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, issued by such licensed abstractor.

Sec. 132. Minnesota Statutes 1992, section 386.68, is amended to read:

386.68 [FEES.]

For The services specified in sections 386.61 to 386.76 following fees shall be set by the board ~~must be paid to the commissioner:~~ an examination fee of \$25; an initial licensing fee of \$50; and a license renewal fee of \$40.

Sec. 133. Minnesota Statutes 1992, section 386.69, is amended to read:

386.69 [LICENSES.]

Licenses issued by ~~said board~~ the commissioner under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and the license shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstractor of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. The license shall be issued for a period as determined by the ~~board~~ commissioner, and shall thereafter be renewed upon conditions prescribed by the ~~board~~ commissioner.

Sec. 134. [386.705] [ADMINISTRATIVE ACTIONS AND PENALTIES.]

An abstractor licensed under sections 386.61 to 386.76 is subject to the penalties imposed pursuant to section 45.027. The commissioner has all the powers provided in section 45.027 and shall proceed in the manner provided by that section in actions against abstractors.

Sec. 135. [386.706] [RULES.]

The commissioner may adopt rules necessary for the administration of sections 386.61 to 386.76.

Sec. 136. Minnesota Statutes 1992, section 462A.057, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] ~~There is established~~ The agency may establish the Minnesota rural and urban homesteading program ~~to be administered by the agency for the purpose of making grants or loans to eligible applicants to acquire, rehabilitate, and sell eligible property. The program is directed at single family residential properties in need of rehabilitation that are sold to "at risk" home buyers committed to strengthening the neighborhood and following a good neighbor policy.~~

## Sec. 137. [462A.204] [FAMILY HOMELESS PREVENTION AND ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The agency may establish a family homeless prevention and assistance program to assist families who are homeless or are at imminent risk of homelessness. The agency may make grants to develop and implement family homeless prevention and assistance projects under the program. For purposes of this section, "families" means families and persons under the age of 18.

Subd. 2. [SELECTION CRITERIA.] The agency shall award grants to counties with a significant number or significant growth in the number of homeless families and that agree to focus their emergency response systems on homeless prevention and the securing of permanent or transitional housing for homeless families. The agency shall take into consideration the extent to which the proposed project activities demonstrate ways in which existing resources in an area may be more effectively coordinated to meet the program objectives specified under this section in awarding grants.

Subd. 3. [SET ASIDE.] At least one grant must be awarded in an area located outside of the metropolitan area as defined in section 473.121, subdivision 2. A county, a group of contiguous counties jointly acting together, or a community-based nonprofit organization with a sponsoring resolution from each of the county boards of the counties located within its operating jurisdiction may apply for and receive grants for areas located outside the metropolitan area.

Subd. 4. [PROJECT REQUIREMENTS.] Each project must be designed to stabilize families in their existing homes, shorten the amount of time that families stay in emergency shelters, and assist families with securing transitional or permanent affordable housing throughout the grantee's area of operation. Each project must include plans for the following:

- (1) use of existing housing stock, including the maintenance of current housing for those at risk;
- (2) leveraging of private and public money to maximize the project impact;
- (3) coordination and use of existing public and private providers of rental assistance, emergency shelters, transitional housing, and affordable permanent housing;
- (4) targeting of direct financial assistance including assistance for rent, utility payments or other housing costs, and support services, where appropriate, to prevent homelessness and repeated episodes of homelessness;
- (5) efforts to address the needs of specific homeless populations;
- (6) identification of outcomes expected from the use of the grant award; and
- (7) description of how the organization will use other resources to address the needs of homeless individuals.

Subd. 5. [AUTHORIZED USES OF GRANT.] A grant may be used to prevent or decrease the period of homelessness of families and to decrease the time period that families stay in emergency shelters. Grants may not be used to acquire, rehabilitate, or construct emergency shelters or transitional or permanent housing. Grants may not be used to pay more than 24 months of rental assistance for a family.

Subd. 6. [ADVISORY COMMITTEE.] Each grantee shall establish an advisory committee consisting of a homeless advocate, a homeless person or formerly homeless person, a member of the state interagency task force on homelessness, local representatives, if any, of public and private providers of emergency shelter, transitional housing, and permanent affordable housing, and other members of the public not representatives of those specifically described in this sentence. The grantee shall consult on a regular basis with the advisory committee in preparing the project proposal and in the design, implementation, and evaluation of the project. The advisory committee shall assist the grantee as follows:

- (1) designing or refocusing the grantee's emergency response system;
- (2) developing project outcome measurements; and

(3) assessing the short- and long-term effectiveness of the project in meeting the needs of families who are homeless, preventing homelessness, identifying and developing innovative solutions to the problem of homeless families, and identifying problems and barriers to providing services to homeless families.

Subd. 7. [REPORTING REQUIREMENTS.] Each grantee shall submit an annual project report to the state interagency task force on homelessness. The report must include the actual program results compared to program objectives. The state interagency task force shall report on program activities to all state agencies that provide assistance or services to homeless persons.

Sec. 138. [462A.206] [MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The agency shall, within the limits of available appropriations, establish a mortgage foreclosure prevention and emergency rental assistance program to provide assistance to low-income and moderate-income persons who are facing the loss of their housing due to circumstances beyond their control. Priority for assistance under this section must be given to persons and families at or below 60 percent of area median income, adjusted for family size, as determined by the department of housing and urban development.

Subd. 2. [ADMINISTRATION.] The agency may contract with community-based, nonprofit organizations that meet the requirements specified in this section to provide either mortgage foreclosure assistance or rental assistance, or both. Preference must be given to nonprofit organizations that demonstrate the greatest ability to leverage program money with other sources of funding, or to organizations serving areas without access to mortgage foreclosure assistance or rental assistance. The agency may require an organization to match program money with other money or resources.

Subd. 3. [ORGANIZATION ELIGIBILITY.] A nonprofit organization must be able to demonstrate that it is qualified to deliver program services, has relevant expertise in mortgage foreclosure prevention or landlord and tenant procedures, and is able to perform the duties required under the program. An organization must provide the agency with a detailed description of how the proposed program would be administered, including the qualifications of staff. An organization may not be part of, nor affiliated with, a mortgage lender nor provide assistance to a household which occupies a housing unit owned or managed by the organization.

Subd. 4. [SELECTION CRITERIA.] The agency shall take the following criteria into consideration when determining whether an organization is qualified to administer the program:

(1) the prior experience of the nonprofit organization in establishing, administering, and maintaining a mortgage foreclosure prevention or a rental assistance program;

(2) the documented familiarity of the organization regarding mortgage foreclosure prevention procedures, landlord and tenant procedures, and other services available to assist with preventing the loss of housing;

(3) the reasonableness of the proposed budget in meeting the program objectives;

(4) the documented ability of the organization to provide financial assistance; and

(5) the documented ability of the organization to provide mortgage foreclosure prevention or other financial or tenant counseling.

Subd. 5. [DESIGNATED AREAS.] A program administrator must designate specific areas, communities, or neighborhoods within which the program is proposed to be operated for the purpose of focusing resources.

Subd. 6. [ASSISTANCE.] (a) Program assistance includes general information, screening, assessment, referral services, case management, advocacy, and financial assistance to borrowers who are delinquent on mortgage, contract for deed, or rent payments.

(b) Not more than one-half of program funding may be used for mortgage or financial counseling services.

(c) Financial assistance consists of:

(1) payments for delinquent mortgage or contract for deed payments, future mortgage or contract for deed payments for a period of up to six months, property taxes, assessments, utilities, insurance, home improvement repairs, or other costs necessary to prevent foreclosure; or

(2) delinquent rent payments, utility bills, any fees or costs necessary to redeem the property, future rent payments for a period of up to six months, and relocation costs if necessary.

(d) An individual or family may receive the lesser of six months or \$4,500 of financial assistance.

Subd. 7. [REPAYMENT.] The agency may require the recipient of financial assistance to enter into an agreement with the agency for repayment. The repayment agreement for mortgages or contract for deed buyers must provide that in the event the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, the recipient shall repay all or a portion of the financial assistance. The agency may take into consideration financial hardship in determining repayment requirements. The repayment agreement may be secured by a lien on the property for the benefit of the agency.

Subd. 8. [REPORT.] By January 10 of every year, each nonprofit organization that delivers services under this section must submit a report to the agency that summarizes the number of people served, the number of applicants who were not served, sources and amounts of nonstate money used to fund the services, and the number and type of referrals to other service providers. The agency shall annually submit a report to the legislature by February 15 that summarizes the service provider reports, and provide an assessment of the effectiveness of the program in preventing mortgage foreclosure and homelessness.

Sec. 139. [462A.207] [MENTAL ILLNESS CRISIS HOUSING ASSISTANCE ACCOUNT.]

Subdivision 1. [CREATION.] The mental illness crisis housing assistance account is established as a separate account in the housing development fund. The assistance account consists of money appropriated to it.

Subd. 2. [RENTAL ASSISTANCE.] The account shall pay up to 90 days of rental assistance for persons with a diagnosed mental illness who require short-term inpatient care for stabilization.

Subd. 3. [ELIGIBILITY.] Rental assistance under this section is available only to persons of low and moderate income as determined by the department of housing and urban development.

Subd. 4. [ADMINISTRATION.] The agency may contract with organizations or government units experienced in rental assistance to operate the program under this section.

Sec. 140. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 17. [MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE.] The agency may spend money for the purposes of section 462A.206 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 141. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 18. [FAMILY HOMELESS PREVENTION AND ASSISTANCE.] The agency may spend money for the purposes of section 462A.204 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 142. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 19. [MENTAL ILLNESS CRISIS HOUSING ASSISTANCE.] The agency may spend money for the purpose of section 462A.207 and may pay the costs and expenses necessary and incidental to the development and operation of the program authorized in section 462A.206.

Sec. 143. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 20. [COMMUNITY DEVELOPMENT CORPORATIONS.] It may make grants to and enter into contracts with community development corporations under section 116J.982, and may pay the costs and expenses for the development and operation of the program.

Sec. 144. Minnesota Statutes 1992, section 469.011, subdivision 4, is amended to read:

Subd. 4. [EXPENSES; COMPENSATION.] Each commissioner may receive necessary expenses, including traveling expenses, incurred in the performance of duties. Each commissioner may be paid up to \$55 for attending each regular and special meeting of the authority. Commissioners who are elected officials or full-time state employees or full-time employees of the political subdivisions of the state may not receive the daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Commissioners who are elected officials may receive the daily payment for a particular day only if they do not receive any other daily payment for public service on that day. Commissioners 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.

Sec. 145. [504.36] [PETS IN SUBSIDIZED HANDICAPPED ACCESSIBLE RENTAL HOUSING UNITS.]

In a multiunit residential building, a tenant of a handicapped accessible unit, in which the tenant or the unit, receives a subsidy that directly reduces or eliminates the tenant's rent responsibility must be allowed to have two birds or one spayed or neutered dog or one spayed or neutered cat. A renter under this section may not keep or have visits from an animal that constitutes a threat to the health or safety of other individuals, or causes a noise nuisance or noise disturbance to other renters. The landlord may require the renter to pay an additional damage deposit in an amount reasonable to cover damage likely to be caused by the animal. The deposit is refundable at any time the renter leaves the unit of housing to the extent it exceeds the amount of damage actually caused by the animal.

Sec. 146. [REPEALER.]

Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70, are repealed.

Sec. 147. [EFFECTIVE DATES.]

Subdivision 1. [1993 APPROPRIATIONS.] Any provisions appropriating money for fiscal year 1993 are effective the day following final enactment.

Subd. 2. [STATE ARTS ACCOUNT.] Sections 59 and 126 are effective July 1, 1995."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for community development and certain agencies of state government, with certain conditions; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; eliminating or transferring certain agency powers and duties; requiring studies and reports; amending Minnesota Statutes 1992, sections 3.30, subdivision 2, as amended; 15.38, by adding a subdivision; 15.50, subdivision 2; 16A.128, subdivision 2; 16A.28, by adding a subdivision; 16A.72; 16B.06, subdivision 2a; 44A.01, subdivisions 2 and 4; 44A.025; 82.21, by adding a subdivision; 116J.617; 116J.982; 216B.62, subdivisions 3 and 5; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 239.80, subdivisions 1 and 2; 257.0755; 268.022, subdivisions 1 and 2; 268.361, subdivisions 6 and 7; 268.362; 268.363; 268.364, subdivisions 1, 3, and by adding a subdivision; 268.365, subdivision 2; 268.55; 268.914, subdivision 1; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; 298.296, subdivision 1; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 359.01, subdivision 3; 359.02; 386.65; 386.66; 386.67; 386.68; 386.69; 462A.057, subdivision 1; 462A.21, by adding subdivisions; and 469.011, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 116J; 116M; 129D; 239; 268; 386; 462A; and 504; proposing coding for new law as Minnesota Statutes, chapter 138A; repealing Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70."

We request adoption of this report and repassage of the bill.

Senate Conferees: CARL W. KROENING, STEVEN G. NOVAK, JAMES P. METZEN AND ELLEN R. ANDERSON.

House Conferees: JAMES I. RICE, KAREN CLARK, JERRY DEMPSEY, BERNIE LIEDER AND CARLOS MARIANI.

Rice moved that the report of the Conference Committee on S. F. No. 1613 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker resumed the Chair.

S. F. No. 1613, A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

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 82 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Clark	Hausman	Kinkel	Neary	Rest	Tomassoni
Anderson, R.	Cooper	Huntley	Krueger	Olson, E.	Rhodes	Trimble
Asch	Davids	Jacobs	Lieder	Olson, K.	Rice	Tunheim
Battaglia	Dawkins	Jaros	Lourey	Orenstein	Rodosovich	Vellenga
Bauerly	Delmont	Jefferson	Luther	Orfield	Rukavina	Vickerman
Beard	Dempsey	Johnson, A.	Mahon	Osthoff	Sarna	Wagenius
Bergson	Dorn	Johnson, R.	Mariani	Ostrom	Sekhon	Wejcmán
Bertram	Farrell	Johnson, V.	McCollum	Pelowski	Simoneau	Wenzel
Brown, C.	Garcia	Kahn	McGuire	Perlt	Skoglund	Winter
Brown, K.	Greenfield	Kalis	Milbert	Peterson	Solberg	Spk. Long
Carlson	Greiling	Kelley	Munger	Pugh	Sparby	
Carruthers	Hasskamp	Kelso	Murphy	Reding	Steensma	

Those who voted in the negative were:

Abrams	Frerichs	Jennings	Lindner	Olson, M.	Stanius	Worke
Bettermann	Girard	Klinzing	Lynch	Onnen	Sviggum	Workman
Bishop	Goodno	Knickerbocker	Macklin	Opatz	Swenson	
Blatz	Gruenes	Koppendrayner	Molnau	Ozment	Tompkins	
Commers	Gutknecht	Krinkie	Morrison	Pauly	Van Dellen	
Dauner	Haukoos	Lasley	Mosel	Pawlenty	Waltman	
Dehler	Holsten	Leppik	Nelson	Seagren	Weaver	
Erhardt	Hugoson	Limmer	Ness	Smith	Wolf	

The bill was repassed, as amended by Conference, and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

### MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1021, A bill for an act relating to state lands; exempting certain lakeshore lots from sale requirements; authorizing the commissioner of natural resources to acquire personal property; amending Minnesota Statutes 1992, section 92.67, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1201.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1201

A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 103L345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 103L701; 103L705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 148.95; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

May 7, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1201, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1201 be further amended as follows:

Page 18, line 31, after "fully" insert "and promptly"

Page 19, line 1, delete everything after the period

Page 19, delete lines 2 to 8

We request adoption of this report and repassage of the bill.

Senate Conferees: HAROLD R. "SKIP" FINN, DON BETZOLD AND STEVE DILLE.

House Conferees: MARC ASCH, THOMAS PUGH AND GREGORY M. DAVIDS.

Asch moved that the report of the Conference Committee on S. F. No. 1201 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1201, A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 103I.345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921, subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 103I.701; 103I.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 148.95; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bergson	Commers	Dempsey	Goodno	Holsten	Johnson, A.
Anderson, I.	Bertram	Cooper	Dorn	Greiling	Hugoson	Johnson, R.
Anderson, R.	Bettérmann	Dauner	Erhardt	Gruenes	Huntley	Johnson, V.
Asch	Blatz	Davids	Evans	Gutknecht	Jacobs	Kahn
Battaglia	Brown, K.	Dawkins	Farrell	Hasskamp	Jaros	Kelley
Bauerly	Carlson	Dehler	Garcia	Haukoos	Jefferson	Kinkel
Beard	Clark	Delmont	Girard	Hausman	Jennings	Klinzing

Knickerbocker	Mahon	Ness	Pauly	Rukavina	Swenson	Wejcman
Krinkie	Mariani	Olson, E.	Pawlenty	Sarna	Tomassoni	Welle
Krueger	McCollum	Olson, K.	Pelowski	Seagren	Tompkins	Wenzel
Lasley	Milbert	Olson, M.	Perlt	Sekhon	Trimble	Winter
Lieder	Molnau	Onnen	Peterson	Simoneau	Tunheim	Wolf
Limmer	Morrison	Opatz	Pugh	Smith	Van Dellen	Worke
Lindner	Mosel	Orenstein	Reding	Solberg	Vellenga	Workman
Lourey	Munger	Orfield	Rest	Sparby	Vickerman	Spk. Long
Luther	Murphy	Osthoff	Rhodes	Stanius	Wagenius	
Lynch	Neary	Ostrom	Rice	Steensma	Waltman	
Macklin	Nelson	Ozment	Rodosovich	Sviggum	Weaver	

The bill was repassed, as amended by Conference, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1245, A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

PATRICK E. FLAHAVER, Secretary of the Senate

McGuire moved that the House refuse to concur in the Senate amendments to H. F. No. 1245, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1524, A bill for an act relating to taxation; providing conditions and requirements for the issuance of public debt and for the financial obligations of authorities; providing an exemption from the mortgage registration tax; providing an exemption from an ad valorem taxation for certain lease purchase property; providing a property tax exemption for certain property devoted to public use; amending Minnesota Statutes 1992, sections 80A.12, by adding a subdivision; 275.065, subdivision 7; 287.04; 447.45, subdivision 2; 475.67, subdivisions 3 and 13; and 501B.25; repealing Minnesota Rules, part 2875.3532.

PATRICK E. FLAHAVER, Secretary of the Senate

Anderson, J., moved that the House refuse to concur in the Senate amendments to H. F. No. 1524, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 998 and 1624.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 998, A bill for an act relating to the city of Saint Paul; providing for a housing rehabilitation program; authorizing the issuance of general obligation bonds.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 1624, 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 Rules and Legislative Administration.

### SPECIAL ORDERS

Anderson, I., moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

### GENERAL ORDERS

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Carruthers moved that the name of Skoglund be added as an author on H. F. No. 900. The motion prevailed.

Hausman moved that the name of Brown, K., be added as an author on H. F. No. 1529. The motion prevailed.

Pugh moved that H. F. No. 588, now on General Orders, be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1245:

McGuire, Carruthers and Macklin.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1524:

Rest, Dehler and Wagenius.

### ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Wednesday, May 12, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Wednesday, May 12, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 12, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Dr. Donald M. Meisel, House Chaplain.

The roll was called and the following members were present:

Abrams	Dauner	Haukoos	Krinkie	Murphy	Pugh	Tomassoni
Anderson, I.	Dauids	Hausman	Krueger	Neary	Reding	Tompkins
Anderson, R.	Dawkins	Holsten	Lasley	Nelson	Rest	Trimble
Asch	Dehler	Hugoson	Leppik	Ness	Rhodes	Tunheim
Battaglia	Delmont	Huntley	Lieder	Olson, E.	Rice	Van Dellen
Bauerly	Dempsey	Jacobs	Limmer	Olson, K.	Rodosovich	Vellenga
Beard	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Bergson	Erhardt	Jefferson	Lourey	Onnen	Sarna	Wagenius
Bertram	Evans	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bettermann	Farrell	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Bishop	Frerichs	Johnson, V.	Macklin	Orfield	Simoneau	Wejcman
Blatz	Garcia	Kahn	Mahon	Osthoff	Skoglund	Welle
Brown, C.	Girard	Kalis	Mariani	Ostrom	Smith	Wenzel
Brown, K.	Goodno	Kelley	McCollum	Ozment	Solberg	Winter
Carlson	Greenfield	Kelso	McGuire	Pauly	Sparby	Wolf
Carruthers	Greiling	Kinkel	Milbert	Pawlenty	Stanis	Worke
Clark	Gruenes	Klinzing	Molnau	Pelowski	Steensma	Workman
Commers	Gutknecht	Knickerbocker	Mosel	Perlit	Sviggum	Spk. Long
Cooper	Hasskamp	Koppendrayer	Munger	Peterson	Swenson	

A quorum was present.

Morrison was excused until 9:25 a.m. Jennings was excused until 11:50 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Dauner 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.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1161, A bill for an act relating to retirement; public employees retirement association; permitting payment in lieu of salary deductions to obtain service credit notwithstanding a one-year time limitation.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Farrell moved that the House concur in the Senate amendments to H. F. No. 1161 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1161, A bill for an act relating to retirement; public employees retirement association; permitting payment in lieu of salary deductions to obtain service credit notwithstanding a one-year time limitation.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Lasley	Ness	Rhodes	Van Dellen
Anderson, I.	Dehler	Hugoson	Leppik	Olson, E.	Rice	Vellenga
Anderson, R.	Delmont	Huntley	Lieder	Olson, K.	Rodosovich	Vickerman
Asch	Dempsey	Jacobs	Limmer	Olson, M.	Rukavina	Wagenius
Battaglia	Dorn	Jaros	Lindner	Onnen	Sama	Waltman
Bauerly	Erhardt	Johnson, A.	Lourey	Opatz	Seagren	Weaver
Beard	Evans	Johnson, R.	Luther	Orenstein	Sekhon	Wejcmán
Bergson	Farrell	Johnson, V.	Lynch	Orfield	Simoneau	Wenzel
Bertram	Frerichs	Kahn	Mahon	Osthoff	Skoglund	Winter
Bettermann	Garcia	Kalis	Mariani	Ostrom	Smith	Wolf
Blatz	Girard	Kelley	McCollum	Ozment	Solberg	Worke
Brown, C.	Goodno	Kelso	Milbert	Pawlenty	Stanius	Workman
Brown, K.	Greiling	Kinkel	Molnau	Pelowski	Steensma	Spk. Long
Carlson	Gruenes	Klinzing	Mosel	Perlt	Sviggum	
Clark	Gutknecht	Knickerbocker	Munger	Peterson	Swenson	
Commers	Hasskamp	Koppendrayner	Murphy	Pugh	Tomassoni	
Dauner	Haukoos	Krinkie	Neary	Reding	Tompkins	
Davids	Hausman	Krueger	Nelson	Rest	Tunheim	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 299, A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Rodosovich moved that the House concur in the Senate amendments to H. F. No. 299 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 299, A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauids	Hausman	Krueger	Neary	Reding	Tompkins
Anderson, I.	Dawkins	Holsten	Lasley	Nelson	Rest	Trimble
Anderson, R.	Dehler	Hugoson	Leppik	Ness	Rhodes	Tunheim
Asch	Delmont	Huntley	Lieder	Olson, E.	Rice	Van Dellen
Battaglia	Dempsey	Jacobs	Limmer	Olson, K.	Rodosovich	Vellenga
Bauerly	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Beard	Erhardt	Johnson, A.	Lourey	Ornen	Sarna	Wagenius
Bergson	Evans	Johnson, R.	Luther	Opatz	Seagren	Waltman
Bertram	Farrell	Johnson, V.	Lynch	Orenstein	Sekhon	Weaver
Bettermann	Frerichs	Kahn	Mahon	Orfield	Simoneau	Wejzman
Blatz	Garcia	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Brown, C.	Girard	Kelley	McCollum	Ostrom	Smith	Winter
Brown, K.	Goodno	Kelso	McGuire	Ozment	Solberg	Wolf
Carlson	Greiling	Kinkel	Milbert	Pawlenty	Stanius	Worke
Carruthers	Gruenes	Klinzing	Molnau	Pelowski	Steensma	Workman
Clark	Gutknecht	Knickerbocker	Mosel	Perlt	Sviggum	Spk. Long
Commers	Hasskamp	Koppendraye	Munger	Peterson	Swenson	
Dauner	Haukoos	Krinkie	Murphy	Pugh	Tomassoni	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 608, A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Mosel moved that the House concur in the Senate amendments to H. F. No. 608 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 608, A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

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	Bertram	Commers	Dorn	Greiling	Huntley	Kelley
Anderson, I.	Bettermann	Cooper	Erhardt	Gruenes	Jacobs	Kelso
Anderson, R.	Blatz	Dauner	Evans	Gutknecht	Jaros	Kinkel
Asch	Brown, C.	Dauids	Farrell	Hasskamp	Johnson, A.	Klinzing
Battaglia	Brown, K.	Dawkins	Frerichs	Haukoos	Johnson, R.	Knickerbocker
Bauerly	Carlson	Dehler	Garcia	Hausman	Johnson, V.	Koppendraye
Beard	Carruthers	Delmont	Girard	Holsten	Kahn	Krinkie
Bergson	Clark	Dempsey	Goodno	Hugoson	Kalis	Krueger

Lasley	McCollum	Olson, E.	Pelowski	Seagren	Tompkins	Winter
Leppik	McGuire	Olson, K.	Perlt	Sekhon	Trimble	Wolf
Lieder	Milbert	Olson, M.	Peterson	Simoneau	Tunheim	Worke
Limmer	Molnau	Ornen	Pugh	Skoglund	Van Dellen	Workman
Lindner	Morrison	Opatz	Reding	Smith	Vellenga	Spk. Long
Lourey	Mosel	Orenstein	Rest	Solberg	Vickerman	
Luther	Munger	Orfield	Rhodes	Starius	Wagenius	
Lynch	Murphy	Osthoff	Rice	Steensma	Waltman	
Macklin	Neary	Ostrom	Rodosovich	Sviggum	Weaver	
Mahon	Nelson	Ozment	Rukavina	Swenson	Wejzman	
Mariani	Ness	Pawlenty	Sarna	Tomassoni	Wenzel	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 795, A bill for an act relating to insurance; no-fault auto; excluding certain vehicles from the right of indemnity granted by the no-fault act; amending Minnesota Statutes 1992, section 65B.53, subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

Reding moved that the House refuse to concur in the Senate amendments to H. F. No. 795, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 566, 811, 880 and 580.

PATRICK E. FLAHAVER, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 566, A bill for an act relating to retirement; removing the requirement for periodic review of the rule of 90; repealing Minnesota Statutes 1992, section 356.85.

The bill was read for the first time.

Johnson, R., moved that S. F. No. 566 and H. F. No. 490, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 811, A bill for an act relating to transportation; providing for a metropolitan area high speed bus study; appropriating money.

The bill was read for the first time.

Mahon moved that S. F. No. 811 and H. F. No. 1125, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 880, A bill for an act relating to the environment; changing methods for assessing and collecting hazardous waste administration fees; providing for rulemaking; amending Minnesota Statutes 1992, sections 116.12; and 473.811, subdivision 5b.

The bill was read for the first time.

Wagenius moved that S. F. No. 880 and H. F. No. 1106, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 580, A bill for an act relating to state and local government; providing for the preparation and review of accounts; providing for duties of the state auditor; providing for the costs of examinations; defining the limits to various types of compensation; providing procedures for the satisfaction of claims; providing procedures for the removal of city managers; limiting certain high risk investments; amending Minnesota Statutes 1992, sections 6.56; 16B.06, subdivision 4; 43A.17, subdivision 9, and by adding a subdivision; 340A.602; 375.162, subdivision 2; 375.18, by adding subdivisions; 412.271, subdivision 1, and by adding subdivisions; 412.641, subdivision 1; and 475.66, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 6; 465; and 471.

The bill was read for the first time.

Pugh moved that S. F. No. 580 and H. F. No. 761, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding printed Special Orders for today, Wednesday, May 12, 1993:

H. F. No. 1387; and S. F. Nos. 512, 692 and 653.

#### SPECIAL ORDERS

H. F. No. 1387 was reported to the House.

Anderson, I., moved that H. F. No. 1387 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 512, A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes 1992, sections 237.01, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 100 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Jefferson	Lieder	Neary	Rodosovich	Tunheim
Anderson, I.	Delmont	Johnson, A.	Lindner	Nelson	Rukavina	Van Dellen
Anderson, R.	Dempsey	Johnson, R.	Lourey	Ness	Sarna	Vickerman
Asch	Erhardt	Johnson, V.	Luther	Olson, E.	Seagren	Wagenius
Battaglia	Frerichs	Kahn	Lynch	Opatz	Sekhon	Weaver
Bauerly	Girard	Kelley	Macklin	Orenstein	Simoneau	Wenzel
Beard	Goodno	Kelso	Mahon	Osthoff	Skoglund	Winter
Bergson	Gruenes	Kinkel	Mariani	Ozment	Solberg	Wolf
Bertram	Hasskamp	Klinzing	McCollum	Pauly	Sparby	Workman
Bettermann	Hausman	Knickerbocker	McGuire	Pelowski	Stanius	Spk. Long
Brown, C.	Holsten	Koppendrayner	Milbert	Perlt	Steensma	
Brown, K.	Hugoson	Krinkie	Molnau	Pugh	Sviggum	
Carlson	Huntley	Krueger	Morrison	Reding	Swenson	
Carruthers	Jacobs	Lasley	Munger	Rest	Tomassoni	
Cooper	Jaros	Leppik	Murphy	Rhodes	Tompkins	

Those who voted in the negative were:

Clark	Dawkins	Garcia	Kalis	Olson, M.	Pawlenty	Waltman
Commers	Dorn	Greiling	Limmer	Ornen	Peterson	Wejzman
Dauner	Evans	Gutknecht	Mosel	Orfield	Smith	Welle
Davids	Farrell	Haukoos	Olson, K.	Ostrom	Trimble	Worke

The bill was passed and its title agreed to.

S. F. No. 692, A bill for an act relating to insurance; workers' compensation; regulating the minimum deposit requirements for self-insurers; amending Minnesota Statutes 1992, section 79A.04, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hausman	Krueger	Neary	Reding	Tompkins
Anderson, I.	Dawkins	Holsten	Lasley	Nelson	Rest	Trimble
Anderson, R.	Dehler	Hugoson	Leppik	Ness	Rhodes	Tunheim
Asch	Delmont	Huntley	Lieder	Olson, E.	Rice	Van Dellen
Battaglia	Dempsey	Jacobs	Limmer	Olson, K.	Rodosovich	Vellenga
Bauerly	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Beard	Erhardt	Jefferson	Luther	Ornen	Sarna	Wagenius
Bergson	Evans	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bertram	Farrell	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bettermann	Frerichs	Johnson, V.	Mahon	Orfield	Simoneau	Wejzman
Blatz	Garcia	Kahn	Mariani	Osthoff	Skoglund	Wenzel
Brown, C.	Girard	Kalis	McCollum	Ostrom	Smith	Winter
Brown, K.	Goodno	Kelley	McGuire	Ozment	Solberg	Wolf
Carlson	Greenfield	Kelso	Milbert	Pauly	Sparby	Worke
Carruthers	Greiling	Kinkel	Molnau	Pawlenty	Stanius	Workman
Clark	Gruenes	Klinzing	Morrison	Pelowski	Steensma	Spk. Long
Commers	Gutknecht	Knickerbocker	Mosel	Perlt	Sviggum	
Cooper	Hasskamp	Koppendrayner	Munger	Peterson	Swenson	
Dauner	Haukoos	Krinkie	Murphy	Pugh	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1387 which was temporarily laid over earlier today on Special Orders was again reported to the House.

Anderson, I., moved to amend H. F. No. 1387, the second engrossment, as follows:

Page 1, delete section 1

Page 2, after line 15, insert:

"Subd. 3. [WORKERS' COMPENSATION.] The department of labor and industry shall study the issue of independent contractors and their compliance with workers' compensation laws. The study shall include an estimate of the current cost and a projection of future costs to the special compensation fund of claims made by injured construction trades workers incorrectly classified as independent contractors by their employers. The cost figures shall include the reimbursement by the special compensation fund of medical assistance and general assistance benefits paid for construction trade workers misclassified as independent contractors.

The study shall evaluate the legal use of exclusions from workers' compensation under section 176.041, subdivision 1 by persons engaged in construction activities. The evaluation shall specifically address the impact of the use of the exclusions by persons engaged in construction activities on the workers' compensation system. The department shall consult with representatives of construction employers and construction trade employees in evaluating the impact of the exclusions on employers engaged in the same activity. The study shall include an estimate of the current cost and a projection of future costs to medical assistance and general assistance of work related injuries to persons in construction trades that are excluded from workers' compensation under section 176.041, subdivision 1.

The department of human services shall cooperate with the department of labor and industry in providing information and staff assistance necessary to complete the study. By February 1, 1994, the department of labor and industry shall report the results of the study with recommendations for legislation to the policy committees of the legislature having jurisdiction over workers' compensation, medical assistance and general assistance matters."

Page 2, line 17, delete everything after "1993"

Page 2, line 18, delete everything before the period

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1387, A bill for an act relating to employment; requiring Occupational Safety and Health Act compliance by certain independent contractors; requiring certain studies and reports on independent contractors; proposing coding for new law in Minnesota Statutes, chapter 182.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Brown, K.	Dauner	Dorn	Girard	Hasskamp
Anderson, I.	Bergson	Carlson	Dauids	Erhardt	Goodno	Haukoos
Anderson, R.	Bertram	Carruthers	Dawkins	Evans	Greenfield	Hausman
Asch	Bettermann	Clark	Dehler	Farrell	Greiling	Holsten
Battaglia	Blatz	Commers	Delmont	Frerichs	Gruenes	Hugoson
Bauerly	Brown, C.	Cooper	Dempsey	Garcia	Gutknecht	Huntley

Jacobs	Koppendrayer	Mariani	Olson, K.	Peterson	Smith	Vickerman
Jaros	Krinkie	McCollum	Olson, M.	Pugh	Solberg	Waltman
Jefferson	Krueger	McGuire	Onnen	Reding	Sparby	Weaver
Johnson, A.	Lasley	Milbert	Opatz	Rest	Stanius	Wejzman
Johnson, R.	Leppik	Molnau	Orenstein	Rhodes	Steensma	Welle
Johnson, V.	Lieder	Morrison	Orfield	Rice	Sviggum	Wenzel
Kahn	Limmer	Mosel	Osthoff	Rodosovich	Swenson	Winter
Kalis	Lindner	Munger	Ostrom	Rukavina	Tomassoni	Wolf
Kelley	Lourey	Murphy	Ozment	Sarna	Tompkins	Worke
Kelso	Luther	Neary	Pauly	Seagren	Trimble	Workman
Kinkel	Lynch	Nelson	Pawlenty	Sekhon	Tunheim	Spk. Long
Klinzing	Macklin	Ness	Pelowski	Simoneau	Van Dellen	
Knickerbocker	Mahon	Olson, E.	Perl	Skoglund	Vellenga	

The bill was passed, as amended, and its title agreed to.

S. F. No. 653 was reported to the House.

Anderson, I., moved to amend S. F. No. 653, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 164.08, subdivision 2, is amended to read:

Subd. 2. [MANDATORY ESTABLISHMENT; CONDITIONS.] Upon petition presented to the town board by the owner of a tract of land containing at least five acres, who has no access thereto except over the lands of others, or whose access thereto is less than two rods in width, the town board by resolution shall establish a cartway at least two rods wide connecting the petitioner's land with a public road. The town board may select an alternative route other than that petitioned for if the alternative is deemed by the town board to be less disruptive and damaging to the affected landowners and in the public's best interest. In an unorganized territory, the board of county commissioners of the county in which the tract is located shall act as the town board. The proceedings of the town board shall be in accordance with section 164.07. The amount of damages shall be paid by the petitioner to the town before such cartway is opened. For the purposes of this subdivision damages shall mean the compensation, if any, awarded to the owner of the land upon which the cartway is established together with the cost of professional and other services which the town may incur in connection with the proceedings for the establishment of the cartway. The town board may by resolution require the petitioner to post a bond or other security acceptable to the board for the total estimated damages before the board takes action on the petition.

Town road and bridge funds shall not be expended on the cartway unless the town board, or the county board acting as the town board in the case of a cartway established in an unorganized territory, by resolution determines that an expenditure is in the public interest. If no resolution is adopted to that effect, the grading or other construction work and the maintenance of the cartway is the responsibility of the petitioner, subject to the provisions of section 164.10. After the cartway has been constructed the town board, or the county board in the case of unorganized territory, may by resolution designate the cartway as a private driveway with the written consent of the affected landowner in which case from the effective date of the resolution no town road and bridge funds shall be expended for maintenance of the driveway; provided that the cartway shall not be vacated without following the vacation proceedings established under section 164.07.

Sec. 2. [ESTABLISHMENT OF AN OFFICE OF DEPUTY REGISTRAR OF MOTOR VEHICLES IN DEER RIVER.]

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar, the Itasca county auditor may, with the approval of the commissioner of public safety, establish an office of the deputy registrar of motor vehicles in the city of Deer River. All other provisions regarding the appointment and operation of a deputy registrar office under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, shall apply to the office.

Sec. 3. [EFFECTIVE DATE.]

Section 2 shall become effective the day following final enactment without local approval as provided in Minnesota Statutes, section 645.023, subdivision 1, paragraph (a)."

Delete the title and insert:

"A bill for an act relating to local government; providing conditions for the establishment of town roads; providing for a deputy registrar of motor vehicles; amending Minnesota Statutes 1992, section 164.08, subdivision 2."

The motion prevailed and the amendment was adopted.

Asch moved to amend S. F. No. 653, as amended, as follows:

Page 2, after line 23, insert:

"Sec. 2. Minnesota Statutes 1992, section 219.16, is amended to read:

219.16 [GRADE CROSSING DEFINED.]

The term "grade crossing" as used in this chapter means the intersection of a public highway ~~and or~~ public pedestrian-bicycle trail with the tracks of a railroad, however operated, on the same plane or level, except street railways within city limits."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 653, A bill for an act relating to town roads; permitting cartways to be established on alternative routes; amending Minnesota Statutes 1992, section 164.08, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hausman	Lasley	Neary	Reding	Trimble
Anderson, I.	Davids	Holsten	Leppik	Nelson	Rest	Tunheim
Anderson, R.	Dawkins	Hugoson	Lieder	Ness	Rhodes	Van Dellen
Asch	Dehler	Huntley	Limmer	Olson, E.	Rice	Vickerman
Battaglia	Delmont	Jacobs	Lindner	Olson, K.	Rodosovich	Wagenius
Bauerly	Dempsey	Jaros	Lourey	Olson, M.	Rukavina	Waltman
Beard	Dorn	Jefferson	Luther	Onnen	Sarna	Weaver
Bergson	Erhardt	Johnson, A.	Lynch	Opatz	Seagren	Wejzman
Bertram	Evans	Johnson, R.	Macklin	Orenstein	Sekhon	Wenzel
Bettermann	Farrell	Johnson, V.	Mahon	Orfield	Simoneau	Winter
Bishop	Frerichs	Kahn	Mariani	Osthoff	Skoglund	Wolf
Blatz	Garcia	Kalis	McCollum	Ostrom	Smith	Worke
Brown, C.	Girard	Kelley	McGuire	Ozment	Solberg	Workman
Brown, K.	Goodno	Kinkel	Milbert	Pauly	Sparby	Spk. Long
Carlson	Greiling	Klinzing	Molnau	Pawlenty	Stanis	
Carruthers	Gruenes	Knickerbocker	Morrison	Pelowski	Steensma	
Clark	Gutknecht	Koppendrayer	Mosel	Perlt	Sviggum	
Commers	Hasskamp	Krinkie	Munger	Peterson	Swenson	
Cooper	Haukoos	Krueger	Murphy	Pugh	Tompkins	

The bill was passed, as amended, and its title agreed to.

S. F. No. 1115 was reported to the House.

Bettermann moved to amend S. F. No. 1115, as follows:

Page 5, line 27, strike ", except salmonids and catfish,"

The motion prevailed and the amendment was adopted.

Bettermann moved to amend S. F. No. 1115, as amended, as follows:

Page 15, delete section 21

Amend the title as follows:

Page 1, line 4, delete "appropriating money;"

The motion prevailed and the amendment was adopted.

S. F. No. 1115, A bill for an act relating to natural resources; modifying provisions relating to aquaculture; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 17.4982, subdivisions 1, 8, and by adding a subdivision; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2, and by adding a subdivision; 17.4991, subdivisions 3, 4, and by adding a subdivision; 17.4992, subdivision 3; 18B.26, subdivision 1; 97C.203; 97C.515, subdivision 4, and by adding a subdivision; 97C.525, subdivision 3; and 103G.2241; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Krinkie	Munger	Pugh	Tompkins
Anderson, I.	Dauids	Hausman	Krueger	Murphy	Reding	Trimble
Anderson, R.	Dawkins	Holsten	Lasley	Neary	Rest	Tunheim
Asch	Dehler	Hugoson	Leppik	Nelson	Rhodes	Van Dellen
Battaglia	Delmont	Huntley	Lieder	Ness	Rice	Vellenga
Bauerly	Dempsey	Jacobs	Limmer	Olson, E.	Rodosovich	Vickerman
Beard	Dorn	Jaros	Lindner	Olson, K.	Rukavina	Wagenius
Bergson	Erhardt	Jefferson	Lourey	Olson, M.	Sarna	Waltman
Bertram	Evans	Johnson, A.	Luther	Onnen	Seagren	Weaver
Bettermann	Farrell	Johnson, R.	Lynch	Opatz	Sekhon	Wejzman
Bishop	Frerichs	Johnson, V.	Macklin	Orenstein	Simoneau	Welle
Blatz	Garcia	Kahn	Mahon	Orfield	Smith	Wenzel
Brown, C.	Girard	Kalis	Mariani	Ostrom	Solberg	Winter
Brown, K.	Goodno	Kelley	McCollum	Ozment	Sparby	Wolf
Carlson	Greenfield	Kelso	McGuire	Pauly	Stanius	Worke
Carruthers	Greiling	Kinkel	Milbert	Pawlenty	Steensma	Workman
Clark	Gruenes	Klinzing	Molnau	Pelowski	Sviggum	Spk. Long
Commers	Gutknecht	Knickerbocker	Morrison	Perlt	Swenson	
Cooper	Hasskamp	Koppendraye	Mosel	Peterson	Tomassoni	

Those who voted in the negative were:

Osthoff            Skoglund

The bill was passed, as amended, and its title agreed to.

The Speaker called Bauerly to the Chair.

S. F. No. 1184 was reported to the House.

Leppik, Kelley, Smith, Rhodes and Onnen moved to amend S. F. No. 1184, as follows:

Page 7, after line 35, insert:

"Sec. 10. Minnesota Statutes 1992, section 161.123, is amended to read:

161.123 [HIGHWAY CONSTRUCTION; PROHIBITIONS.]

Following May 31, 1975 the department of transportation shall not cause any construction on, nor shall any lands be acquired for, any of the trunk highways designated as I-335; proposed I-394 between I-494 and the Hawthorne interchange; nor for any extension or connector of the Dartmouth interchange of the interstate route designated as I-94, except for a connection from Fulton Avenue and Huron Street to University Avenue Southeast and 25th Avenue Southeast generally via Huron Street and 25th Avenue Southeast; nor shall the department construct or improve Legislative Route No. 116, marked trunk highway route No. 55, within the city of Minneapolis, to freeway or expressway standards; provided, that nothing in this section shall be construed to prohibit the department from taking the following actions:

- (1) Construction of a parkway facility of not more than four lanes of traffic in the corridor previously designated for I-335 in the city of Minneapolis.
- (2) Construction of not more than six lanes of travel on Legislative Routes No. 10 and No. 107 marked TH12 between I-494 and the Hawthorne interchange in the city of Minneapolis, except that existing available paved road surface and right-of-way may be utilized to provide additional lanes of travel; provided that no additional lands shall be acquired for any such purpose except which is necessary for construction of six lanes of travel on said highway.
- (3) Generally utilizing and widening present lanes of travel, increasing the number of lanes of travel up to but not exceeding six lanes, and upgrading Legislative Route No. 116 within the city of Minneapolis generally along its present traveled corridor.
- (4) Preparation of any environmental impact statements, recreational and other land use reports, and other elements of the planning process required by federal and state law, utilizing the most reasonably recent available data, on the following:

Routes and corridors enumerated above and all feasible and prudent alternate routes and corridors, giving the fullest possible consideration to each, without regard to prior authorization or to whether legislative approval or other action is necessary. In the preparation of such environmental impact statements the commissioner shall analyze and evaluate:

- (a) Design modifications which may mitigate any adverse environmental impact; and
- (b) The recommendations of the metropolitan council, transportation advisory board, and interstate study committee as reported to the legislature pursuant to Laws 1975, chapter 203, section 16; and
- (c) All other matters required of an environmental impact statement by applicable state and federal laws.

Any highway facility authorized by this section shall be compatible with the immediate residential areas through which it passes. Upon the completion of any highway facility authorized herein, any right-of-way previously acquired within the utilized corridor and not needed for the construction and maintenance of such facility, shall be transferred to the city within which such excess right-of-way is located, for public purposes, or sold for utilization in a manner compatible with the immediate residential area through which it passes, such excess right-of-way being determined by order of the commissioner. The transfer shall be evidenced by a quit claim deed, in such form as the attorney general approves, executed by the governor in the name of the state of Minnesota to such city.

The commissioner of transportation shall consider a parkway or other alternatives for that portion of the trunk highway designated as I-35 or Route No. 390 in the city of Duluth.

## Sec. 11. [EFFECTIVE DATE.]

Section 10 is effective the day following final enactment.

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Leppik et al amendment and the roll was called. There were 58 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Haukoos	Leppik	Olson, M.	Smith	Welle
Bergson	Evans	Holsten	Lirumer	Onnen	Stanius	Wolf
Bettermann	Frerichs	Hugoson	Lindner	Osthoff	Sviggum	Worke
Bishop	Garcia	Johnson, V.	Lynch	Ozment	Swenson	Workman
Blatz	Girard	Kelley	Macklin	Pauly	Tompkins	
Carlson	Goodno	Kelso	Mahon	Pawlenty	Van Dellen	
Commers	Greiling	Knickerbocker	Molnau	Rest	Vickerman	
Dauids	Gruenes	Koppendraye	Morrison	Rhodes	Waltman	
Dehler	Gutknecht	Krinkie	Ness	Seagren	Weaver	

Those who voted in the negative were:

Anderson, I.	Cooper	Jacobs	Lourey	Olson, E.	Rice	Trimble
Anderson, R.	Dauner	Jaros	Luther	Olson, K.	Rodosovich	Tunheim
Asch	Dawkins	Jefferson	Mariani	Opatz	Rukavina	Vellenga
Battaglia	Delmont	Johnson, A.	McCollum	Orenstein	Sarna	Wagenius
Bauerly	Dempsey	Johnson, R.	McGuire	Orfield	Sekhon	Wejcman
Beard	Dorn	Kahn	Milbert	Ostrom	Simoneau	Wenzel
Bertram	Farrell	Kinkel	Mosel	Pelowski	Skoglund	Winter
Brown, C.	Greenfield	Klinzing	Munger	Perlt	Solberg	Spk. Long
Brown, K.	Hasskamp	Krueger	Murphy	Peterson	Sparby	
Carruthers	Hausman	Lasley	Neary	Pugh	Steensma	
Clark	Huntley	Lieder	Nelson	Reding	Tomassori	

The motion did not prevail and the amendment was not adopted.

Kinkel moved to amend S. F. No. 1184, as follows:

Page 7, after line 35, insert:

"Sec. 10. Minnesota Statutes 1992, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. [TOWN BRIDGES AND CULVERTS; TOWN ROAD ACCOUNT.] An amount equal to 25 percent of the county turnback account must be expended, within counties having two or more towns, on town road bridge structures that are ten feet or more in length and on town road culverts that replace existing town road bridges. In addition, if the present bridge structure is less than ten feet in length but a hydrological survey indicates that the replacement bridge structure or culvert must be ten feet or more in length, then the bridge or culvert is eligible for replacement funds. In addition, if a culvert that replaces a deficient bridge is in a county comprehensive water plan approved by the board of water and soil resources and the department of natural resources, the costs of the culvert and roadway grading other than surfacing are eligible for replacement funds up to the cost of constructing a replacement bridge. The expenditures on bridge structures and culverts may be on a matching basis, and if on a matching basis, not more than 90 percent of the cost of a bridge structure or culvert may be paid from the county turnback account. When bridge approach construction work exceeds \$10,000 in costs, or when the county engineer

determines that the cost of the replacement culverts alone will not exceed \$20,000, the town shall be eligible for financial assistance from the town bridge account. Financial assistance shall be limited to 90 percent of the cost of the bridge approach work that is in excess of \$10,000 and shall be requested by resolution of the county board and shall be limited to:

(1) 100 percent of the cost of the bridge approach work that is in excess of \$10,000; or

(2) 100 percent of the cost of the replacement culverts when the cost does not exceed \$20,000 and the town board agrees to be responsible for all the other costs, which may include costs for structural removal, installation, and permitting. The replacement structure design and costs shall be approved and certified by the county engineer, but need not be subsequently approved by the department of transportation.

An amount equal to 47.5 percent of the county turnback account must be set aside as a town road account and distributed as provided in section 162.081."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Dempsey was excused between the hours of 11:25 a.m. and 12:40 p.m.

S. F. No. 1184, A bill for an act relating to transportation; authorizing road authorities to develop, finance, design, construct, improve, rehabilitate, own, and operate toll facilities and to enter into agreements with private operators for the construction, maintenance, and operation of toll facilities; proposing coding for new law in Minnesota Statutes, chapter 160.

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 70 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauids	Jennings	Leppik	Olson, E.	Rhodes	Tunheim
Anderson, R.	Dehler	Johnson, A.	Lieder	Olson, K.	Rodosovich	Van Dellen
Bauerly	Erhardt	Johnson, V.	Lindner	Olson, M.	Seagren	Vickerman
Bertram	Frerichs	Kelley	Luther	Ornen	Simoneau	Waltman
Bettermann	Garcia	Kelso	Lynch	Osthoff	Smith	Weaver
Bishop	Girard	Kinkel	Macklin	Ozment	Sparby	Welle
Brown, C.	Goodno	Knickerbocker	Mahon	Pauly	Stanisus	Wenzel
Brown, K.	Gutknecht	Koppendrayser	Molnau	Pelowski	Steensma	Wolf
Commers	Holsten	Krinkie	Morrison	Perlt	Sviggum	Worke
Dauner	Hugoson	Lasley	Ness	Peterson	Swenson	Workman

Those who voted in the negative were:

Anderson, I.	Beard	Carlson	Cooper	Dorn	Greenfield	Hasskamp
Asch	Bergson	Carruthers	Dawkins	Evans	Greiling	Haukoos
Battaglia	Blatz	Clark	Delmont	Farrell	Gruenes	Hausman

Huntley	Kalis	McCollum	Neary	Pawlenty	Sarna	Trimble
Jacobs	Klinzing	McGuire	Nelson	Pugh	Sekhon	Vellenga
Jaros	Krueger	Milbert	Opatz	Reding	Skoglund	Wagenius
Jefferson	Limmer	Mosel	Orenstein	Rest	Solberg	Wejzman
Johnson, R.	Lourey	Munger	Orfield	Rice	Tomassoni	Winter
Kahn	Mariani	Murphy	Ostrom	Rukavina	Tompkins	Spk. Long

The bill was passed and its title agreed to.

Simoneau was excused while in conference.

S. F. No. 53 was reported to the House.

Jacobs, Rhodes, Beard, Lynch and Kalis moved to amend S. F. No. 53, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 181A.04, is amended by adding a subdivision to read:

Subd. 6. A high school student under the age of 18 must not be permitted to work after 11:00 p.m. on an evening before a school day or before 5:00 a.m. on a school day, except as permitted by section 181A.07, subdivisions 1, 2, 3, and 4. If a high school student under the age of 18 has supplied the employer with a note signed by the parent or guardian of the student, the student may be permitted to work until 11:30 p.m. on the evening before a school day and beginning at 4:30 a.m. on a school day.

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 or an area learning center, including area learning centers under sections 124A.45 to 124C.48 or according to section 121.11, subdivision 12.

Sec. 2. Minnesota Statutes 1992, section 181A.12, is amended to read:

[181A.12] [PENALTIES.]

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or an authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine 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. Fines are in the amounts as follows:

(a) employment of minors under the age of 14 (each employee)	\$ 50
(b) employment of minors under the age of 16 during school hours while school is in session (each employee)	50
(c) employment of minors under the age of 16 before 7:00 a.m. (each employee)	50
(d) employment of minors under the age of 16 after 9:00 p.m. (each employee)	50
(e) <u>employment of a high school student under the age of 18 in violation of section 181A.04, subdivision 6 (each employee)</u>	<u>100</u>

(f) employment of minors under the age of 16 over eight hours a day (each employee)	50
(f) (g) employment of minors under the age of 16 over 40 hours a week (each employee)	50
(g) (h) employment of minors under the age of 18 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	100
(h) (i) employment of minors under the age of 16 in occupations hazardous or detrimental to their well-being as defined by rule (each employee)	100
(i) (j) minors under the age of 18 injured in hazardous employment (each employee)	500
(j) (k) minors employed without proof of age (each employee)	5 25

An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

~~An employer who engages in repeated violations of sections 181A.01 to 181A.12 is also guilty of a gross misdemeanor.~~

Subd. 2. [MISDEMEANOR.] ~~Any~~ An employer or other person violating any provision of sections 181A.01 to 181A.12 excluding section 181A.04, subdivision 6, or any rules issued pursuant thereto or assisting another in such violation is guilty of a misdemeanor.

Subd. 3. [GROSS MISDEMEANOR.] An employer who engages in repeated violations of sections 181A.01 to 181A.12 excluding section 181A.04, subdivision 6, is also guilty of a gross misdemeanor. An employer who engages in a single violation of sections 181A.01 to 181A.12 excluding section 181A.04, subdivision 6, is guilty of a gross misdemeanor if the violation results in the death of the minor or substantial bodily harm to the minor. For purposes of this subdivision, "substantial bodily harm" has the meaning given in section 609.02, subdivision 7a."

Amend the title as follows:

Page 1, line 5, delete the second comma

Page 1, line 6, delete "subdivision 1"

The motion prevailed and the amendment was adopted.

Hasskamp offered an amendment to S. F. No. 53, as amended.

#### POINT OF ORDER

Asch raised a point of order pursuant to rule 3.09 that the Hasskamp amendment was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment out of order.

Hugoson moved to amend S. F. No. 53, as amended, as follows:

Page 1, line 9, delete "If a"

Page 1, delete lines 10 to 14 and insert "This subdivision does not apply to a high school student who supplies the employer with a note from a parent or guardian of the student authorizing the student to work after 11:00 p.m. on an evening before a school day or before 5:00 a.m. on a school day."

A roll call was requested and properly seconded.

The question was taken on the Hugoson amendment and the roll was called. There were 53 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Gutknecht	Krinkie	Mosel	Seagren	Waltman
Bergson	Dauids	Hasskamp	Leppik	Ness	Smith	Welle
Bertram	Dawkins	Haukoos	Limmer	Olson, M.	Sparby	Wolf
Bettermann	Dehler	Holsten	Lindner	Ornen	Stanius	Worke
Bishop	Dorn	Hugoson	Lourey	Pauly	Sviggum	Workman
Brown, K.	Erhardt	Jennings	Macklin	Pawlenty	Swenson	
Commers	Girard	Johnson, V.	Molnau	Felowski	Van Dellen	
Cooper	Goodno	Koppendraye	Morrison	Rodosovich	Vickerman	

Those who voted in the negative were:

Anderson, I.	Delmont	Jefferson	Lasley	Nelson	Reding	Tomassoni
Anderson, R.	Evans	Johnson, A.	Luther	Olson, K.	Rest	Tompkins
Asch	Farrell	Johnson, R.	Lynch	Opatz	Rhodes	Trimble
Battaglia	Garcia	Kahn	Mahon	Orenstein	Rice	Tunheim
Bauerly	Greenfield	Kalis	Mariani	Orfield	Rukavina	Vellenga
Beard	Greiling	Kelley	McCollum	Osthoff	Sarna	Wagenius
Blatz	Gruenes	Kelso	McGuire	Ostrom	Sekhon	Weaver
Brown, C.	Hausman	Kinkel	Milbert	Ozment	Simoneau	Wejman
Carlson	Huntley	Klinzing	Munger	Perlt	Skoglund	Wenzel
Carruthers	Jacobs	Knickerbocker	Murphy	Peterson	Solberg	Winter
Clark	Jaros	Krueger	Neary	Pugh	Steensma	Spk. Long

The motion did not prevail and the amendment was not adopted.

Dehler moved to amend S. F. No. 53, as amended, as follows:

Page 1, line 7 of the Jacobs amendment, after "permitted" insert ", on a regular basis,"

The motion did not prevail and the amendment was not adopted.

S. F. No. 53, A bill for an act relating to labor; regulating employment of children; establishing a child labor curfew; providing penalties; amending Minnesota Statutes 1992, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 98 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Jaros	Lasley	Murphy	Peterson	Sparby
Anderson, R.	Dehler	Jefferson	Leppik	Neary	Pugh	Steensma
Asch	Delmont	Jennings	Lieder	Nelson	Reding	Tomassoni
Battaglia	Dempsey	Johnson, A.	Lourey	Olson, E.	Rest	Trimble
Bauerly	Evans	Johnson, R.	Luther	Olson, K.	Rhodes	Tunheim
Beard	Farrell	Johnson, V.	Lynch	Opatz	Rice	Van Dellen
Bertram	Greenfield	Kahn	Mahon	Orenstein	Rodosovich	Vellenga
Blatz	Greiling	Kalis	Mariani	Orfield	Rukavina	Wagenius
Brown, C.	Gruenes	Kelley	McCollum	Osthoff	Sarna	Weaver
Carlson	Hasskamp	Kelso	McGuire	Ostrom	Sekhon	Wejcmann
Carruthers	Hausman	Klinzing	Milbert	Ozment	Simoneau	Welle
Clark	Holsten	Knickerbocker	Morrison	Pauly	Skoglund	Wenzel
Commers	Huntley	Koppendrayner	Mosel	Pawlenty	Smith	Winter
Cooper	Jacobs	Krueger	Munger	Perl	Solberg	Spk. Long

Those who voted in the negative were:

Abrams	Dauids	Girard	Kinkel	Molnau	Seagren	Vickerman
Bergson	Dorn	Goodno	Krinkie	Ness	Stanius	Waltman
Bettermann	Erhardt	Gutknecht	Limmer	Olson, M.	Stiggum	Wolf
Brown, K.	Frerichs	Haukoos	Lindner	Onnen	Swenson	Worke
Dauner	Garcia	Hugoson	Macklin	Pelowski	Tompkins	Workman

The bill was passed, as amended, and its title agreed to.

S. F. No. 894, A bill for an act relating to agriculture; imposing licensing requirements for general merchandise storage warehouses; providing bond claim procedures; amending Minnesota Statutes 1992, sections 231.01, by adding a subdivision; 231.11; 231.12; 231.13; 231.14; 231.17; and 231.18; repealing Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33.

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	Dauids	Hausman	Krinkie	Munger	Pugh	Tomassoni
Anderson, I.	Dawkins	Holsten	Krueger	Murphy	Reding	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Rest	Trimble
Battaglia	Delmont	Huntley	Leppik	Nelson	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Lieder	Ness	Rice	Van Dellen
Beard	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lindner	Olson, K.	Rukavina	Vickerman
Bertram	Evans	Jennings	Lourey	Olson, M.	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Luther	Onnen	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Lynch	Opatz	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Simoneau	Wejcmann
Brown, C.	Girard	Kahn	Mahon	Orfield	Skoglund	Welle
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Smith	Wenzel
Carlson	Greenfield	Kelley	McCollum	Ostrom	Solberg	Winter
Carruthers	Greiling	Kelso	McGuire	Ozment	Sparby	Wolf
Clark	Gruenes	Kinkel	Milbert	Pauly	Stanius	Worke
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Morrison	Perl	Sviggum	
Dauner	Haukoos	Koppendrayner	Mosel	Peterson	Swenson	

The bill was passed and its title agreed to.

S. F. No. 902, A bill for an act relating to motor carriers; defining armored carrier service; requiring any person providing armored carrier service to obtain an armored carrier permit from the transportation regulation board; providing for conversion of existing operating authority; amending Minnesota Statutes 1992, sections 221.011, by adding subdivisions; 221.072, subdivision 2; 221.111; 221.121, by adding a subdivision; 221.131, by adding a subdivision; 221.141, by adding a subdivision; 221.161, subdivision 1; and 221.185, subdivisions 1, 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 221.

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	Dauner	Haukoos	Koppendrayer	Munger	Peterson	Swenson
Anderson, I.	Dauids	Hausman	Krinkie	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Krueger	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Lasley	Nelson	Rest	Trimble
Battaglia	Delmont	Huntley	Leppik	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Lieder	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Limmer	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Lourey	Onnen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcman
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Stanius	Worke
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Mosel	Perlt	Sviggum	Spk. Long

The bill was passed and its title agreed to.

Pelowski was excused while in conference.

S. F. No. 700 was reported to the House.

Pugh, Bergson and Delmont offered an amendment to S. F. No. 700, the unofficial engrossment.

#### POINT OF ORDER

Abrams raised a point of order pursuant to rule 3.09 that the Pugh et al amendment was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment out of order.

Kahn, Gutknecht and Holsten moved to amend S. F. No. 700, the unofficial engrossment, as follows:

Page 2, after line 12, insert:

"Sec. 3. Minnesota Statutes 1992, section 240.13, subdivision 6, is amended to read:

Subd. 6. [SIMULCASTING.] The commission may permit an authorized licensee to conduct simulcasting or telerec simulcasting at the licensee's facility on any day authorized by the commission. All simulcasts and telerec simulcasts must comply with the Interstate Horse Racing Act of 1978, United States Code, title 15, sections 3001 to 3007. In addition to telerec programs featuring live racing conducted at the licensee's class A facility, the class E licensee

may conduct not more than seven teleracing programs per week during the racing season, unless additional telerece simulcasting is authorized by the director and approved by the horsepersons' organization representing the majority of horsepersons racing the breed racing the majority of races at the licensee's class A facility during the preceding 12 months. The commission may not authorize any day for simulcasting at a class A facility during the racing season, and a licensee may not be allowed to transmit out-of-state telecasts of races the licensee conducts, unless the licensee has obtained the approval of the horsepersons' organization representing the majority of the horsepersons racing the breed involved at the licensed racetrack during the preceding 12 months. The licensee may pay fees and costs to an entity transmitting a telecast of a race to the licensee for purposes of conducting pari-mutuel wagering on the race. The licensee may deduct fees and costs related to the receipt of televised transmissions from a pari-mutuel pool on the televised race, provided that one-half of any amount recouped in this manner must be added to the amounts required to be set aside for purses.

With the approval of the commission and subject to the provisions of this subdivision, a licensee may transmit telecasts of races it conducts, for wagering purposes, to locations outside the state, and the commission may allow this to be done on a commingled pool basis.

Except as otherwise provided in this section, simulcasting and telerece simulcasting may be conducted on a separate pool basis or, with the approval of the commission, on a commingled pool basis. All provisions of law governing pari-mutuel betting apply to simulcasting and telerece simulcasting except as otherwise provided in this subdivision or in the commission's rules. If pools are commingled, wagering at the licensed facility must be on equipment electronically linked with the equipment at the licensee's class A facility or with the sending racetrack via the totalizator computer at the licensee's class A facility. Subject to the approval of the commission, the types of betting, takeout, and distribution of winnings on commingled pari-mutuel pools are those in effect at the sending racetrack. Breakage for pari-mutuel pools on a televised race must be calculated in accordance with the law or rules governing the sending racetrack for these pools, and must be distributed in a manner agreed to between the licensee, and the sending racetrack. Notwithstanding subdivision 7 and section 240.15, subdivision 5, the commission may approve procedures governing the definition and disposition of unclaimed tickets that are consistent with the law and rules governing unclaimed tickets at the sending racetrack. For the purposes of this section, "sending racetrack" is either the racetrack outside of this state where the horse race is conducted or, with the consent of the racetrack, an alternative facility that serves as the racetrack for the purpose of commingling pools.

If there is more than one class B licensee conducting racing within the seven-county metropolitan area, simulcasting and telerece simulcasting may be conducted only on races run by a breed that ran at the licensee's class A facility within the 12 months preceding the event.

Contractual agreements between licensees and horsepersons' organizations entered into before June 5, 1991, regarding money to be set aside for purses from pools generated by simulcasts at a class A facility, are controlling regarding purse requirements through the end of the 1992 racing season.

Notwithstanding any other provision, a class D licensee may conduct pari-mutuel betting on simulcast races under this section only on a racing day assigned by the commission on which the class D licensee conducts at least six races."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

#### POINT OF ORDER

Osthoff raised a point of order pursuant to rule 3.09 that the Kahn et al amendment was not in order. Speaker pro tempore Bauerly ruled the point of order not well taken and the amendment in order.

The question recurred on the Kahn et al amendment and the roll was called. There were 121 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hausman	Krueger	Neary	Rest	Trimble
Anderson, I.	Davids	Holsten	Lasley	Nelson	Rhodes	Tunheim
Anderson, R.	Dawkins	Hugoson	Leppik	Ness	Rice	Van Dellen
Asch	Dehler	Huntley	Lieder	Olson, E.	Rodosovich	Vellenga
Battaglia	Delmont	Jacobs	Lourey	Olson, K.	Rukavina	Vickerman
Bauerly	Dempsey	Jaros	Luther	Olson, M.	Sarna	Wagenius
Beard	Dorn	Jefferson	Lynch	Onnen	Seagren	Waltman
Bergson	Evans	Jennings	Macklin	Opatz	Sekhon	Wejzman
Bertram	Farrell	Johnson, A.	Mahon	Orenstein	Simoneau	Wenzel
Bettermann	Frerichs	Johnson, V.	Mariani	Orfield	Skoglund	Winter
Blatz	Garcia	Kahn	McCollum	Osthoff	Smith	Wolf
Brown, C.	Girard	Kalis	McGuire	Ostrom	Solberg	Workman
Brown, K.	Goodno	Kelley	Milbert	Ozment	Sparby	Spk. Long
Carlson	Greenfield	Kinkel	Molnau	Pauly	Stanius	
Carruthers	Greiling	Klinzing	Morrison	Pawlenty	Sviggum	
Clark	Gruenes	Knickerbocker	Mosel	Perlt	Swenson	
Commers	Gutknecht	Koppendrayner	Munger	Peterson	Tomassoni	
Cooper	Haukoos	Krinkie	Murphy	Pugh	Tompkins	

Those who voted in the negative were:

Erhardt	Johnson, R.	Limmer	Reding	Weaver	Worke
Hasskamp	Kelso	Lindner	Steensma	Welle	

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 700, A bill for an act relating to horse racing; permitting two class A licenses within the seven-county metropolitan area; permitting the state fair to apply for a pari-mutuel horse racing license; permitting distributions from the breeders' fund for Minnesota-bred horses racing in other racing jurisdictions; amending Minnesota Statutes 1992, sections 240.06, subdivisions 5 and 5a; 240.09, subdivision 1; and 240.18, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 48 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Girard	Kahn	Pugh	Sparby	Vickerman
Anderson, I.	Brown, C.	Hausman	Knickerbocker	Reding	Stanius	Waltman
Bauerly	Dawkins	Holsten	Mahon	Rukavina	Sviggum	Weaver
Beard	Dorn	Jacobs	Milbert	Sarna	Swenson	Welle
Bergson	Evans	Jaros	Morrison	Sekhon	Tomassoni	Winter
Bertram	Farrell	Jennings	Ozment	Simoneau	Tunheim	Wolf
Bishop	Frerichs	Johnson, V.	Perlt	Solberg	Van Dellen	

Those who voted in the negative were:

Anderson, R.	Dehler	Huntley	Leppik	Mosel	Osthoff	Steensma
Asch	Dempsey	Jefferson	Lieder	Murphy	Ostrom	Tompkins
Battaglia	Erhardt	Johnson, A.	Limmer	Neary	Pauly	Vellenga
Bettermann	Garcia	Johnson, R.	Lindner	Nelson	Pawlenty	Wagenius
Brown, K.	Goodno	Kalis	Lourey	Ness	Peterson	Wejcman
Carlson	Greenfield	Kelley	Luther	Olson, E.	Rest	Wenzel
Carruthers	Greiling	Kelso	Lynch	Olson, K.	Rhodes	Worke
Clark	Gruenes	Kinkel	Macklin	Olson, M.	Rice	Workman
Commers	Gutknecht	Klinzing	Mariani	Onnen	Rodosovich	Spk. Long
Cooper	Hasskamp	Koppendrayner	McCollum	Opatz	Seagren	
Dauner	Haukoos	Krinkie	McGuire	Orenstein	Skoglund	
Davids	Hugoson	Krueger	Molnau	Orfield	Smith	

The bill was not passed, as amended.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 795:

Jennings, Reding and Osthoff.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

The House reconvened and was called to order by the Speaker.

Pelowski was excused while in conference.

There being no objection, the order of business reverted to Reports of Standing Committees.

#### REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 1624, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

**SECOND READING OF SENATE BILLS**

S. F. No. 1624 was read for the second time.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1524, A bill for an act relating to taxation; providing conditions and requirements for the issuance of public debt and for the financial obligations of authorities; providing an exemption from the mortgage registration tax; providing an exemption from an ad valorem taxation for certain lease purchase property; providing a property tax exemption for certain property devoted to public use; amending Minnesota Statutes 1992, sections 80A.12, by adding a subdivision; 275.065, subdivision 7; 287.04; 447.45, subdivision 2; 475.67, subdivisions 3 and 13; and 501B.25; repealing Minnesota Rules, part 2875.3532.

The Senate has appointed as such committee:

Mr. Pogemiller; Mses. Flynn and Olson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1245, A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

The Senate has appointed as such committee:

Ms. Ranum; and Messrs. Merriam and Knutson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 653, A bill for an act relating to town roads; permitting cartways to be established on alternative routes; amending Minnesota Statutes 1992, section 164.08, subdivision 2.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Lessard, Merriam and Dille.

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

Anderson, I., 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. 653. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 306, A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Metzen, Riveness and Benson, D. D.

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

Bergson 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. 306. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 273, A bill for an act relating to highways; changing description of legislative Route No. 279 in state trunk highway system after agreement to transfer part of old route to Dakota county.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Knutson; Chmielewski and Ms. Olson.

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

Tompkins 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. 273. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 512, A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes 1992, sections 237.01, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, subdivision 7.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Mr. Novak; Ms. Johnson, J. B., and Mr. Chandler.

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

Jacobs 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. 512. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 208, A bill for an act relating to human rights; prohibiting discrimination against certain persons who have physical or sensory disabilities and who use service animals; clarifying certain language governing transportation of disabled persons; clarifying the commissioner's acceptance of charges; providing for office of administrative hearings costs to be charged in human rights cases; amending Minnesota Statutes 1992, sections 363.01, subdivisions 30a, 35, 41b, and by adding a subdivision; 363.03, subdivisions 2, 4, and 10; 363.071, by adding a subdivision; and 473.144.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bishop moved that the House refuse to concur in the Senate amendments to H. F. No. 208, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 327, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; exempting former prisoners of war plates from motor vehicle registration tax; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Hasskamp moved that the House concur in the Senate amendments to H. F. No. 327 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 327, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, subdivision 1.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hasskamp	Kruckerbocker	Molnau	Pauly	Swenson
Anderson, I.	Davids	Haukoos	Koppendrayer	Morrison	Pawlenty	Tomassoni
Anderson, R.	Dawkins	Holsten	Krinkie	Mosel	Pelowski	Tompkins
Asch	Dehler	Hugoson	Krueger	Munger	Perlt	Trimble
Battaglia	Delmont	Huntley	Lasley	Murphy	Peterson	Tunheim
Bauerly	Dempsey	Jacobs	Leppik	Neary	Pugh	Van Dellen
Beard	Dorn	Jaros	Lieder	Nelson	Reding	Vellienga
Bergson	Erhardt	Jefferson	Limmer	Ness	Rhodes	Vickerman
Bertram	Evans	Jennings	Lindner	Olson, E.	Rodosovich	Wagenius
Bettermann	Farrell	Johnson, A.	Lourey	Olson, K.	Rukavina	Waltman
Bishop	Frerichs	Johnson, R.	Luther	Olson, M.	Sarna	Weaver
Blatz	Garcia	Johnson, V.	Lynch	Ornen	Seagren	Wejzman
Brown, K.	Girard	Kahn	Macklin	Opatz	Sekhon	Wenzel
Carlson	Goodno	Kalis	Mahon	Orenstein	Simoneau	Winter
Carruthers	Greenfield	Kelley	Mariani	Orfield	Smith	Wolf
Clark	Greiling	Kelso	McCollum	Osthoff	Stanius	Worke
Commers	Gruenes	Kinkel	McGuire	Ostrom	Steensma	Workman
Cooper	Gutknecht	Klinzing	Milbert	Ozment	Sviggum	Spk. Long

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1063, A bill for an act relating to commerce; currency exchanges; changing the date for submission of license renewal applications; amending Minnesota Statutes 1992, section 53A.03.

PATRICK E. FLAHAVEN, Secretary of the Senate

Trimble moved that the House refuse to concur in the Senate amendments to H. F. No. 1063, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 694, A bill for an act relating to driving while intoxicated; increasing driver's license revocation periods and restricting issuance of limited licenses to persons convicted of DWI, to comply with federal standards; increasing penalties for driving while intoxicated with a child under 16 in the vehicle; modifying bond provisions; establishing misdemeanor offense of operating a motor vehicle by a minor with alcohol concentration greater than 0.02; providing for implied consent to test minor's blood, breath, or urine and making refusal to take test a crime; amending Minnesota Statutes 1992, sections 168.042, subdivision 2; 169.121, subdivisions 1, 2, 3, 4, 6, 8, 10a, and by adding a subdivision; 169.1217, subdivisions 1 and 4; 169.123, subdivisions 2, 4, 5a, 6, 10, and by adding a subdivision; 169.129; 171.30, subdivision 2a; 171.305, subdivision 2; and 609.21; proposing coding for new law in Minnesota Statutes, chapter 169.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Marty, Chandler, Cohen, Belanger and Neuville.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVERN, Secretary of the Senate

Anderson, I., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 694. The motion prevailed.

### SPECIAL ORDERS

S. F. No. 406 was reported to the House.

Asch and Brown, C., offered an amendment to S. F. No. 406.

### POINT OF ORDER

Winter raised a point of order pursuant to rule 3.09 that the Asch and Brown, C., amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 406, A bill for an act relating to local government; authorizing a local unit of government which self-insures health benefits for employees to enroll employees of the exclusive representative of its employees in those plans; amending Minnesota Statutes 1992, section 471.617, 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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krinkie	Mosel	Pelowski	Swenson
Anderson, I.	Dehler	Hugoson	Krueger	Munger	Perlt	Tomassoni
Anderson, R.	Delmont	Huntley	Lasley	Murphy	Peterson	Tompkins
Asch	Dempsey	Jacobs	Leppik	Neary	Pugh	Trimble
Battaglia	Dorn	Jaros	Lieder	Nelson	Reding	Tunheim
Bauerly	Erhardt	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Beard	Evans	Jennings	Lindner	Olson, E.	Rodosovich	Vellenga
Bergson	Farrell	Johnson, A.	Lourey	Olson, K.	Rukavina	Vickerman
Bertram	Frerichs	Johnson, R.	Luther	Olson, M.	Sarna	Wagenius
Bettermann	Garcia	Johnson, V.	Lynch	Onnen	Seagren	Waltman
Blatz	Girard	Kahn	Macklin	Opatz	Sekhon	Weaver
Brown, K.	Goodno	Kalis	Mahon	Orenstein	Simoneau	Wejzman
Carlson	Greenfield	Kelley	Mariani	Orfield	Skoglund	Wenzel
Carruthers	Greiling	Kelso	McCollum	Osthoff	Smith	Winter
Clark	Gruenes	Kinkel	McGuire	Ostrom	Solberg	Wolf
Commers	Hasskamp	Klinzing	Milbert	Ozment	Stanius	Worke
Cooper	Haukoos	Kruckerbocker	Molnau	Pauly	Steensma	Workman
Dauner	Hausman	Koppendrayner	Morrison	Pawlenty	Sviggum	Spk. Long

Those who voted in the negative were:

Dauids

The bill was passed and its title agreed to.

S. F. No. 560 was reported to the House.

Greenfield moved to amend S. F. No. 560, as follows:

Page 1, line 9, strike "Until July 1," and delete "1996" and strike the second comma

Amend the title as follows:

Page 1, line 3, delete "extending" and insert "making" and after "moratorium" insert "permanent"

The motion prevailed and the amendment was adopted.

S. F. No. 560, A bill for an act relating to the hospital construction moratorium, extending the moratorium; amending Minnesota Statutes 1992, section 144.551, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayer	Munger	Pugh	Tunheim
Anderson, I.	Davids	Hausman	Krinkie	Murphy	Reding	Van Dellen
Anderson, R.	Dawkins	Holsten	Krueger	Neary	Rhodes	Vellenga
Asch	Dehler	Hugoson	Lasley	Nelson	Rodosovich	Vickerman
Battaglia	Delmont	Huntley	Leppik	Ness	Rukavina	Wagenius
Bauerly	Dempsey	Jacobs	Lieder	Olson, E.	Sarna	Waltman
Beard	Dorn	Jaros	Limmer	Olson, K.	Seagren	Weaver
Bergson	Erhardt	Jefferson	Lindner	Olson, M.	Sekhon	Wejcman
Bertram	Evans	Jennings	Lourey	Opatz	Simoneau	Wenzel
Bettermann	Farrell	Johnson, A.	Luther	Orenstein	Skoglund	Winter
Bishop	Frerichs	Johnson, R.	Lynch	Orfield	Smith	Wolf
Blatz	Garcia	Johnson, V.	Macklin	Osthoff	Solberg	Worke
Brown, C.	Girard	Kahn	Mahon	Ostrom	Stanius	Workman
Brown, K.	Goodno	Kalis	McCollum	Ozment	Steensma	Spk. Long
Carlson	Greenfield	Kelley	McGuire	Pauly	Sviggum	
Carruthers	Greiling	Kelso	Milbert	Pawlenty	Swenson	
Clark	Gruenes	Kinkel	Molnau	Pelowski	Tomassoni	
Commers	Gutknecht	Klinzing	Morrison	Perlt	Tompkins	
Cooper	Hasskamp	Krickerbocker	Mosel	Peterson	Trimble	

Those who voted in the negative were:

Onnen

The bill was passed, as amended, and its title agreed to.

H. F. No. 531 was reported to the House.

Dawkins moved to amend H. F. No. 531, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [504.012] [WRITTEN LEASE REQUIRED.]

An owner of a multiunit building, with 12 or more residential units, shall have a written lease for each unit rented to a residential tenant. The definitions of "owner," "tenant," and "building" in section 566.18 apply to this section.

Sec. 2. [504.015] [TENANT TO BE GIVEN COPY OF LEASE.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "owner" has the meaning given it in section 566.18, and "tenant" means any person occupying the dwelling unit whose signature appears on the lease agreement.

Subd. 2. [COPY OF WRITTEN LEASE TO TENANT.] An owner shall give a tenant a copy of a written lease. An owner may obtain a signed and dated receipt, either as a separate document or an acknowledgment included in the lease agreement itself, from the tenant acknowledging that the tenant has received a copy of the lease. This signed receipt or acknowledgment is prima facie evidence that the tenant has received a copy of the lease.

Subd. 3. [LEGAL ACTION TO ENFORCE LEASE.] In any legal action to enforce a written lease, except for nonpayment of rent, disturbing the peace, malicious destruction of property, or a violation of section 504.181, it is a defense for the tenant to establish that the owner failed to comply with subdivision 2. This defense may be overcome if the owner establishes that the tenant had actual knowledge of the term or terms of the lease upon which any legal action is based.

Sec. 3. [504.201] [RESTRICTION ON LEASE TERMS FOR BUILDINGS IN FINANCIAL DISTRESS.]

Subdivision 1. [DEFINITIONS.] The definitions of "owner," "tenant," and "building" in section 566.18 apply to this section. For purposes of this section, the term "building" does not include a manufactured home park as defined in section 327C.01, subdivision 5.

Subd. 2. Once an owner has received notice of a contract for deed cancellation under section 559.21 or notice of a mortgage foreclosure sale under chapter 580 or 582, the owner may enter into a periodic lease agreement with a term of two months or less or a fixed term tenancy not extending beyond the cancellation period or owner's period of redemption until:

- (1) the contract for deed has been reinstated or paid in full;
- (2) the mortgage default has been cured and the mortgage reinstated;
- (3) the mortgage has been satisfied;
- (4) the property has been redeemed from a foreclosure sale; or
- (5) a receiver has been appointed.

Sec. 4. [504.246] [DISCLOSURE REQUIRED FOR OUTSTANDING INSPECTION AND CONDEMNATION ORDERS.]

Subdivision 1. [DISCLOSURE TO TENANT.] (a) Except as provided in subdivision 3, a landlord, agent, or person acting under the landlord's direction or control shall provide a copy of all outstanding inspection orders for which a citation has been issued, pertaining to a rental unit or common area, specifying code violations issued under section 566.19, that the housing inspector identifies as requiring notice because the violations threaten the health or safety of the tenant, and all outstanding condemnation orders and declarations that the premises are unfit for human habitation to:

- (1) a tenant, as defined in section 566.18, either by delivery or by United States mail, postage prepaid, within 72 hours after the time allowed to complete the repairs, including any extension of the deadline, has expired;
- (2) a person before signing a lease or paying rent or a security deposit to begin a new tenancy; and
- (3) a person prior to obtaining new ownership of the property subject to the order or declaration.

The housing inspector shall indicate on the inspection order whether the violation threatens the health or safety of a tenant or prospective tenant.

(b) If an inspection order, for which a citation has been issued, does not involve code violations that threaten the health or safety of the tenants, the landlord, agent, or person acting under the landlord's control shall post a summary of the inspection order in a conspicuous place in each building affected by the inspection order, along with a notice that the inspection order will be made available by the landlord for review, upon a request of a tenant or prospective tenant. The landlord shall provide a copy of the inspection order for review by a tenant or a prospective tenant as required under this subdivision.

Subd. 2. [PENALTY.] If the landlord, agent, or person acting under the landlord's direction or control violates this section, the tenant is entitled to remedies provided by section 8.31, subdivision 3a, and other equitable relief as determined by the court.

Subd. 3. [EXCEPTION.] A landlord, agent, or person acting under the landlord's direction or control is not in violation of this section if:

(1) the landlord, agent, or person acting under the landlord's direction or control has received only an initial order to repair;

(2) the time allowed to complete the repairs, including any extension of the deadline, has not yet expired, and less than 60 days has elapsed since the expiration date of repair orders and any extension and no citation has been issued; and

(3) the landlord, agent, or person acting under the landlord's direction or control completes the repairs within the time given to repair, including any extension of the deadline.

Subd. 4. [LANDLORD'S DEFENSE.] It is an affirmative defense in an action brought under this section for the landlord, agent, or person acting under the landlord's control to prove that disclosure was made as required under subdivision 1.

Sec. 5. Minnesota Statutes 1992, section 504.29, is amended by adding a subdivision to read:

Subd. 6. [PROPER IDENTIFICATION.] "Proper identification" means information generally considered sufficient to identify a person, including a Minnesota driver's license, a Minnesota identification card, other forms of identification provided by a unit of government, a notarized statement of identity with a specimen signature of the person, or other reasonable form of identification.

Sec. 6. Minnesota Statutes 1992, section 504.30, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURES REQUIRED.] (a) 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 the rental or increase the security deposit or rent of a residential housing unit to the individual. 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 tenant screening service must notify the tenant of the amount of the charge before furnishing the information. The charge may not exceed the amount that the tenant screening service would impose on each designated recipient of a tenant report, except that no charge may be made for notifying persons of the deletion of information which is found to be inaccurate or which can no longer be verified.

(b) Files maintained on a tenant must be disclosed promptly as established in clauses (1) to (4).

(1) A tenant file must be disclosed in person, during normal business hours, at the location where the tenant screening service maintains its files, if the tenant appears in person and furnishes proper identification at that time.

(2) A tenant file must be disclosed by mail, if the tenant makes a written request with proper identification for a copy of the information contained in the tenant report and requests that the information be sent to a specified address. A disclosure made under this clause shall be deposited in the United States mail, postage prepaid, within five business days after the written request for disclosure is received by the tenant screening service. A tenant screening service complying with a request for disclosure under this clause shall not be liable for disclosures to third parties caused by mishandling mail, provided that the tenant file information is mailed to the address specified by the tenant in the request.

(3) A summary of the information in a tenant file must be disclosed by telephone, if the tenant has made a written request with proper identification for telephone disclosure.

(4) Information in a tenant's file required to be disclosed in writing under this subdivision may be disclosed in any other form including electronic means if authorized by the tenant and available from the tenant screening service.

Sec. 7. Minnesota Statutes 1992, section 504.30, subdivision 3, is amended to read:

Subd. 3. [EXPLANATIONS.] The tenant screening service must permit an individual to explain any unlawful detainer report or any disputed item not resolved by reinvestigation in a tenant report. The explanation must be included in the tenant report. The tenant screening service may limit the explanation to no more than 100 words.

Sec. 8. Minnesota Statutes 1992, section 504.30, subdivision 4, is amended to read:

Subd. 4. [COURT FILE INFORMATION.] (a) If a tenant screening service includes information from a court file on an individual in a tenant report, 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 becomes available. The tenant screening service is not liable under section 504.31 if the tenant screening service reports complete and accurate information as provided by the court.

(b) A tenant screening service shall not provide tenant reports containing information on unlawful detainer actions in the second and fourth judicial districts, unless the tenant report accurately records the outcome of the proceeding or other disposition of the unlawful detainer action such as settlement, entry of a judgment, default, or dismissal of the action.

Sec. 9. Minnesota Statutes 1992, section 504.33, subdivision 3, is amended to read:

Subd. 3. [DISPLACE.] "Displace" means to demolish, acquire for or convert to a use other than low-income housing, or to provide or spend money that directly results in the demolition, acquisition, or conversion of housing to a use other than low-income housing.

"Displace" does not include providing or spending money that directly results in: (i) housing improvements made to comply with health, housing, building, fire prevention, housing maintenance, or energy codes or standards of the applicable government unit; (ii) housing improvements to make housing more accessible to a handicapped person; or (iii) the demolition, acquisition, or conversion of housing for the purpose of creating owner-occupied housing that consists of no more than four units per structure.

"Displace" does not include downsizing large apartment complexes by demolishing less than 25 percent of the units in the complex or by eliminating units through reconfiguration and expansion of individual units for the purpose of expanding the size of the remaining low-income units. For the purpose of this section, "large apartment complex" means two or more adjacent buildings containing a total of 100 or more units per complex.

Sec. 10. Minnesota Statutes 1992, section 504.33, subdivision 5, is amended to read:

Subd. 5. [LOW-INCOME HOUSING.] (a) "Low-income housing" means either:

(1) rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size; or

(2) rental housing occupied by households with income below 30 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size.

(b) "Low-income housing" also includes rental housing that has been vacant for less than two years, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Sec. 11. Minnesota Statutes 1992, section 504.33, subdivision 7, is amended to read:

Subd. 7. [REPLACEMENT HOUSING.] "Replacement housing" means rental housing that is:

(1) the lesser of (i) the number and corresponding size of low-income housing units displaced, or (ii) sufficient in number and corresponding size of those low-income housing units displaced to meet the demand for those units. Based on demonstrated need in the housing impact report, displaced units may be replaced by fewer, larger units of comparable total size, except that efficiency and single room occupancy units may not be replaced by units of a larger size;

(2) low-income housing for ~~the greater of at least 15 years or the compliance period of the federal low-income housing tax credit under United States Code, title 26, section 42(i)(1), as amended.~~ This section does not prohibit increases in rent to cover operating expenses;

(3) in at least standard condition; and

(4) located in the city where the displaced low-income housing units were located.

Replacement housing may be provided as newly constructed housing, or rehabilitated housing that was previously unoccupied or vacant and in condemnable condition or rent subsidized existing housing that does not already qualify as low-income housing.

Notwithstanding the above requirements, public housing units which are a part of a disposition plan approved by the Department of Housing and Urban Development automatically qualify as replacement housing for public housing units which are displaced.

Sec. 12. Minnesota Statutes 1992, section 504.34, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL REPORT REQUIRED.] A government unit shall prepare ~~an annual~~ a housing impact report either:

(1) for each year in which the government unit displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01; or

(2) when a specific project undertaken by a government unit for longer than one year displaces a total of ten or more units of low-income housing in a city of the first class as defined in section 410.01.

Sec. 13. Minnesota Statutes 1992, section 504.34, subdivision 2, is amended to read:

Subd. 2. [DRAFT ANNUAL HOUSING IMPACT REPORT.] A government unit subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing in a city. For a housing impact report required under subdivision 1, clause (2), the draft report must be completed by January 31 of the year immediately following the year in which the government unit has displaced a cumulative total of ten units of low-income housing in a city.

Sec. 14. Minnesota Statutes 1992, section 566.18, subdivision 2, is amended to read:

Subd. 2. [TENANT.] "Tenant" means any person who is occupying a dwelling in a building as defined in subdivision 7, under any agreement, lease, or contract, whether oral or written, and for whatever period of time, which requires the payment of ~~moneys~~ money or exchange of services as rent for the use of the dwelling unit, and all other regular occupants of that dwelling unit, and any resident of a manufactured home park.

Sec. 15. Minnesota Statutes 1992, section 566.18, subdivision 7, is amended to read:

Subd. 7. [BUILDING.] "Building" means:

(a) ~~any~~ a building used in whole or in part as a dwelling, including single family homes, multiple family units such as apartments, and structures containing both dwelling units and units used for nondwelling purposes, and also includes a manufactured home park, or

(b) ~~any an~~ unoccupied building which was previously used in whole or in part as a dwelling and which constitutes a nuisance under section 561.01.

Sec. 16. Laws 1989, chapter 328, article 2, section 17, subdivision 1, is amended to read:

Sec. 17. [HOUSING CALENDAR CONSOLIDATION PILOT PROJECT.]

Subdivision 1. [ESTABLISHMENT.] A ~~three-year pilot~~ project ~~may be~~ is 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.

Sec. 17. [COURT STUDY OF UNLAWFUL DETAINER REPORTS BY TENANT SCREENING SERVICES.]

The second and fourth district courts are requested to study data reported in conjunction with unlawful detainer actions in order to assure that accurate and timely information on unlawful detainer proceedings is available for tenant reports. The study must identify ways to report data so that information on the outcome of unlawful detainer proceedings is as readily available, accurate, timely, and as permanent as information on unlawful detainer filings. The study shall also consider the length of time information on unlawful detainer filings and dispositions must be retained by the courts. The courts shall report their findings to the relevant housing committees of the house of representatives and the senate by January 1, 1994. Each district court shall implement the study findings and establish methods to report the outcome and disposition of unlawful detainer actions as soon as the study is completed, but no later than January 1, 1994.

Sec. 18. [REPEALER.]

Laws 1989, chapter 328, article 2, sections 18 and 19, are repealed.

Sec. 19. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1993, for new or renewed tenancy beginning on or after August 1, 1993.

Section 8 is effective April 1, 1994.

Sections 16 and 18 are effective the day after final enactment."

Amend the title accordingly

Dawkins moved to amend the Dawkins amendment to H. F. No. 531, as follows:

Page 3, line 36 of the Dawkins amendment, delete "and" and insert "or"

Page 4, line 2 of the Dawkins amendment, delete "and" and insert "or" in both places

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Dawkins amendment, as amended, to H. F. No. 531, the second engrossment. The motion prevailed and the amendment, as amended, was adopted.

Dawkins moved to amend H. F. No. 531, the second engrossment, as amended, as follows:

Page 3, line 4, delete everything after "after" and insert "issuance of the citation"

Page 3, line 5, delete everything before the semicolon

Page 7, line 33, delete everything after the period and insert:

"Notwithstanding subclauses (i) and (ii), if the housing impact statement shows demonstrated need"

Page 7, line 34, delete everything before the comma

The motion prevailed and the amendment was adopted.

H. F. No. 531, A bill for an act relating to housing; requiring owner to furnish a tenant with a copy of a written lease; requiring disclosure of inspection and condemnation orders; modifying procedure for tenant file disclosure by tenant screening services; modifying definitions; requiring reports; providing penalties; amending Minnesota Statutes 1992, sections 504.29, by adding a subdivision; 504.30, subdivisions 1, 3, and 4; 504.33, subdivisions 3, 5, and 7; 504.34, subdivisions 1 and 2; and 566.18, subdivisions 2 and 7; Laws 1989, chapter 328, article 2, section 17, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 504; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Holsten	Lasley	Nelson	Rest	Van Dellen
Anderson, I.	Davids	Hugoson	Leppik	Ness	Rhodes	Vellenga
Anderson, R.	Dawkins	Huntley	Lieder	Olson, E.	Rice	Vickerman
Asch	Dehler	Jacobs	Limmer	Olson, K.	Rodosovich	Wagenius
Battaglia	Delmont	Jaros	Lourey	Olson, M.	Rukavina	Waltman
Bauerly	Dempsey	Jefferson	Luther	Onnen	Sarna	Weaver
Beard	Dorn	Jennings	Lynch	Opatz	Seagren	Wejzman
Bergson	Evans	Johnson, A.	Macklin	Orenstein	Sekhon	Welle
Bertram	Farrell	Johnson, R.	Mahon	Orfield	Simoneau	Wenzel
Bettermann	Frerichs	Johnson, V.	Mariani	Osthoff	Skoglund	Winter
Bishop	Garcia	Kahn	McCollum	Ostrom	Smith	Wolf
Blatz	Girard	Kalis	McGuire	Ozment	Solberg	Worke
Brown, C.	Goodno	Kelley	Milbert	Pauly	Steensma	Workman
Brown, K.	Greenfield	Kelso	Molnau	Pawlenty	Sviggum	Spk. Long
Carlson	Greiling	Kinkel	Morrison	Pelowski	Swenson	
Carruthers	Gruenes	Klinzing	Mosel	Perlt	Tomassoni	
Clark	Hasskamp	Knickerbocker	Munger	Peterson	Tompkins	
Commers	Haukoos	Koppendrayer	Murphy	Pugh	Trimble	
Cooper	Hausman	Krueger	Neary	Reding	Tunheim	

Those who voted in the negative were:

Erhardt	Krinkie	Lindner	Stanis
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The bill was passed, as amended, and its title agreed to.

Dawkins was excused between the hours of 8:15 p.m. and 10:25 p.m.

H. F. No. 936, A bill for an act relating to the department of jobs and training; changing its name to the department of economic security.

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	Bauerly	Bishop	Commers	Dempsey	Frerichs	Greiling
Anderson, I.	Beard	Blatz	Cooper	Erhardt	Garcia	Gruenes
Anderson, R.	Bertram	Brown, C.	Davids	Evans	Girard	Gutknecht
Battaglia	Bettermann	Carlson	Delmont	Farrell	Goodno	Haukoos

Holsten	Kalis	Lindner	Olson, E.	Reding	Stanius	Weaver
Hugoson	Kelley	Lourey	Olson, M.	Rhodes	Steensma	Welle
Huntley	Kelso	Luther	Onnen	Rice	Sviggum	Wenzel
Jacobs	Kinkel	Lynch	Opatz	Rodosovich	Swenson	Winter
Jaros	Klinzing	Macklin	Orenstein	Rukavina	Tompkins	Wolf
Jefferson	Knickerbocker	Mariani	Orfield	Sarna	Tunheim	Worke
Jennings	Koppendrayner	McGuire	Ozment	Seagren	Van Dellen	Workman
Johnson, A.	Lasley	Milbert	Pauly	Sekhon	Vellenga	Spk. Long
Johnson, R.	Leppik	Molnau	Pawlenty	Smith	Vickerman	
Johnson, V.	Lieder	Morrison	Perlt	Solberg	Wagenius	
Kahn	Limmer	Munger	Pugh	Sparby	Waltman	

Those who voted in the negative were:

Asch	Dauner	Hausman	Mosel	Olson, K.	Rest	Wejcman
Bergson	Dehler	Krinkie	Murphy	Osthoff	Simoneau	
Brown, K.	Dorn	Krueger	Neary	Ostrom	Skoglund	
Carruthers	Greenfield	Mahon	Nelson	Pelowski	Tomassoni	
Clark	Hasskamp	McCollum	Ness	Peterson	Trimble	

The bill was passed and its title agreed to.

S. F. No. 853 was reported to the House.

Reding moved to amend S. F. No. 853, as follows:

Page 13, line 27, delete "providing" and insert "that is a qualified pension plan under section 401(a) of the federal internal revenue code, as amended, and that provides"

Page 13, line 30, after "account" insert "under section 408(a) of the federal internal revenue code, as amended"

Page 15, after line 2, insert:

"Sec. 3. [ELLENDALE FIRE DEPARTMENT RELIEF ASSOCIATION BENEFIT AND AID USE RATIFICATION.]

Subdivision 1. [BENEFIT RATIFICATION.] Notwithstanding section 424A.02, subdivision 1, or any opinion of the office of the state auditor to the contrary, benefit payments made to retiring members of the Ellendale fire department relief association prior to the effective date of this section are ratified.

Subd. 2. [AID USAGE RATIFICATION.] Notwithstanding sections 69.021, 424A.05, 424A.08, or prior laws governing the allocation or use of fire state aid, any allocation or use of fire state aid received by the firetown of Ellendale prior to the effective date of this section is hereby ratified providing the aid was used for a fire related purpose or as funding for the special fund of the Ellendale fire department relief association."

Page 15, delete lines 3 to 6, and insert:

"Sec. 4. [EFFECTIVE DATE; LOCAL APPROVAL.]

Sections 1 and 2 are effective the day following approval by the governing body of the city of Golden Valley and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 3 is effective the day following approval by the governing body of the city of Ellendale and compliance with Minnesota Statutes, section 645.021, subdivision 3."

The motion prevailed and the amendment was adopted.

S. F. No. 853, A bill for an act relating to retirement; volunteer firefighters' relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain local volunteer firefighters relief association provisions; prohibiting the use of lawful gambling contributions for pensions; amending Minnesota Statutes 1992, sections 11A.04; 349.12, subdivision 25; 356.218, subdivisions 2 and 3; and 424A.02, subdivisions 1, 3, and by adding subdivisions; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 471.

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	Dauner	Hausman	Krinkie	Munger	Peterson	Tomassoni
Anderson, I.	Davids	Holsten	Krueger	Murphy	Pugh	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Asch	Delmont	Huntley	Leppik	Nelson	Rest	Tunheim
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Bauerly	Dorn	Jaros	Limmer	Olson, E.	Rice	Vellenga
Beard	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vickerman
Bergson	Evans	Jennings	Lourey	Olson, M.	Rukavina	Wagenius
Bertram	Farrell	Johnson, A.	Luther	Onnen	Sarna	Waltman
Bettermann	Frerichs	Johnson, R.	Lynch	Opatz	Seagren	Weaver
Bishop	Garcia	Johnson, V.	Macklin	Orenstein	Sekhon	Wejcman
Blatz	Girard	Kahn	Mahon	Orfield	Simoneau	Welle
Brown, C.	Goodno	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kelley	McCollum	Ostrom	Smith	Winter
Carlson	Greiling	Kelso	McGuire	Ozment	Solberg	Wolf
Carruthers	Gruenes	Kinkel	Milbert	Pauly	Stanius	Worke
Clark	Gutknecht	Klinzing	Molnau	Pawlenty	Steensma	Workman
Commers	Hasskamp	Knickerbocker	Morrison	Pelowski	Sviggum	Spk. Long
Cooper	Haukoos	Koppendrayer	Mosel	Perlt	Swenson	

The bill was passed, as amended, and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 273:

Tompkins, Pugh and McGuire.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 306:

Bergson, Opatz and Ozment.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 512:

Jacobs, Kelley and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 653:

Anderson, I.; Solberg and Goodno.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 694:

Carruthers, Delmont, Perlt, Blatz and Swenson.

### SPECIAL ORDERS, Continued

S. F. No. 1320 was reported to the House.

Tunheim; Olson, K.; Leppik and Carlson moved to amend S. F. No. 1320, as follows:

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 1992, section 129C.10, subdivision 1, is amended to read:

Subdivision 1. [GOVERNANCE.] The board of the Minnesota center for arts education shall consist of 15 persons, one of whom shall be knowledgeable in the field of special education. The members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

Sec. 3. Minnesota Statutes 1992, section 129C.10, is amended by adding a subdivision to read:

Subd. 3b. [APPEAL.] A parent who disagrees with a board action that adversely affects the academic program of an enrolled pupil may appeal the board's action to the state board of education within 30 days of the board's action. The decision of the state board of education shall be binding on the board. The board shall inform each pupil and parent at the time of enrolling of a parent's right to appeal a board action affecting the pupil's academic program.

Sec. 4. [APPLICABILITY.]

The requirement under section 1 that a board member be knowledgeable in the field of special education shall apply to appointments to the board made after the effective date of this act."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1320, A bill for an act relating to education; requiring changes in college preparation requirements.

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 111 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Davids	Huntley	Leppik	Nelson	Reding	Tomassoni
Anderson, R.	Delmont	Jacobs	Lieder	Ness	Rest	Tompkins
Asch	Dempsey	Jaros	Lourey	Olson, E.	Rhodes	Trimble
Battaglia	Dorn	Jefferson	Luther	Olson, K.	Rice	Tunheim
Bauerly	Evans	Jennings	Lynch	Olson, M.	Rodosovich	Van Dellen
Bergson	Farrell	Johnson, R.	Mahon	Onnen	Rukavina	Vellenga
Bertram	Frerichs	Johnson, V.	Mariani	Opatz	Sarna	Wagenius
Bettermann	Garcia	Kahn	McCollum	Orenstein	Seagren	Waltman
Blatz	Girard	Kalis	McGuire	Orfield	Sekhon	Weaver
Brown, K.	Goodno	Kelso	Milbert	Osthoff	Simoneau	Wejzman
Carlson	Greenfield	Kinkel	Molnau	Ostrom	Smith	Wenzel
Carruthers	Greiling	Klinzing	Morrison	Ozment	Solberg	Winter
Clark	Hasskamp	Knickerbocker	Mosel	Pauly	Sparby	Wolf
Commers	Hausman	Koppendrayer	Munger	Pawlenty	Stanius	Worke
Cooper	Holsten	Krueger	Murphy	Perit	Steensma	Spk. Long
Dauner	Hugoson	Lasley	Neary	Pugh	Swenson	

Those who voted in the negative were:

Abrams	Erhardt	Gutknecht	Krinkie	Lindner	Peterson	Vickerman
Dehler	Gruenes	Haukoos	Limmer	Macklin	Swiggum	Workman

The bill was passed, as amended, and its title agreed to.

S. F. No. 751 was reported to the House.

Asch moved to amend S. F. No. 751, as follows:

Delete everything after the enacting clause and insert:

#### "REGULATION OF TANNING FACILITIES

Section 1. [461.16] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 461.16 to 461.26.

Subd. 2. [CONSUMER.] "Consumer" means an individual who is provided access to a tanning facility.

Subd. 3. [INDIVIDUAL.] "Individual" means a human being.

Subd. 4. [LOCAL GOVERNMENT UNIT.] "Local government unit" means a statutory or home rule charter city, town, or county.

Subd. 5. [OPERATOR.] "Operator" means an individual designated by the tanning facility owner or tanning equipment lessee to operate, or to assist and instruct the consumer in the operation and use of, the tanning facility or tanning equipment.

Subd. 6. [PERSON.] "Person" means an individual, corporation, partnership, limited liability company, firm, association, trust, estate, public or private institution, group, agency, political subdivision of this state, any other state, or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of these entities.

Subd. 7. [TANNING EQUIPMENT.] "Tanning equipment" means ultraviolet or other lamps and equipment containing these lamps intended to induce skin tanning through the irradiation of any part of the living human body with ultraviolet radiation.

Subd. 8. [TANNING FACILITY.] "Tanning facility" means a location, place, area, structure, or business or a part thereof which provides consumers access to tanning equipment. Tanning facility includes, but is not limited to, tanning salons, health clubs, apartments, or condominiums regardless of whether a fee is charged for access to the tanning equipment.

Subd. 9. [ULTRAVIOLET RADIATION.] "Ultraviolet radiation" means electromagnetic radiation with wavelengths in air between 200 nanometers and 400 nanometers.

Sec. 2. [461.17] [REGULATIONS; APPLICABILITY; EXEMPTIONS.]

Subdivision 1. [REGULATIONS; APPLICABILITY.] A tanning facility in this state must be constructed, operated, and maintained according to sections 461.16 to 461.26.

Subd. 2. [EXEMPTIONS.] Sections 461.16 to 461.26 do not apply to:

(a) a person who:

(1) uses equipment which emits ultraviolet radiation incidental to its normal operation; and

(2) does not use the equipment described in clause (1) to deliberately expose parts of the living human body to ultraviolet radiation for the purpose of tanning or other treatment;

(b) a physician licensed by the board of medical practice who uses, in the practice of medicine, medical diagnostic and therapeutic equipment that emits ultraviolet radiation; and

(c) an individual who owns tanning equipment exclusively for personal, noncommercial use.

Sec. 3. [461.19] [STANDARDS FOR TANNING EQUIPMENT.]

Subdivision 1. [STANDARDS FOR ALL EQUIPMENT.] (a) The tanning facility owner or operator must use only tanning equipment manufactured according to Code of Federal Regulations, title 21, part 1040.20. The exact nature of compliance must be based on the standards in effect at the time of manufacture as shown on the device identification label required by Code of Federal Regulations, title 21, part 1010.3.

(b) Each assembly of tanning equipment must be designated for use by only one consumer at a time and must be equipped with a timer that complies with Code of Federal Regulations, title 21, part 1040.20(c)(2). The maximum timer interval may not exceed the manufacturer's maximum recommended exposure time. No timer interval may have an error exceeding plus or minus ten percent of the maximum timer interval for the product.

(c) Tanning equipment must meet the National Fire Protection Association National Electrical Code.

(d) Tanning equipment must include physical barriers to protect consumers from injury induced by touching or breaking the lamps.

(e) The tanning facility owner or operator shall replace defective or damaged lamps, bulbs, or filters with a type intended for use in the affected tanning equipment as specified on the product label and having the same spectral distribution.

(f) The tanning facility owner or operator shall replace ultraviolet lamps and bulbs, which are not otherwise defective or damaged, at a frequency or after a duration of use as may be recommended by the manufacturer of the lamps and bulbs.

(g) The tanning facility owner or operator shall maintain a record of when the bulbs or lamps in each tanning booth or bed were replaced according to paragraphs (e) and (f).

(h) Tanning equipment must have a control that enables the user to manually terminate radiation without pulling the electrical plug or coming in contact with the ultraviolet lamp.

(i) The tanning facility operator shall instruct each user on: (1) the proper position to maintain relative to the tanning lamps; (2) the position of the safety railing, where applicable; (3) the manual switching device to terminate radiation; and (4) maximum time of exposure.

(j) The tanning facility operator shall inspect the facility to ensure that the floors are dry before each individual's use.

(k) The tanning facility operator shall monitor the use of the facility to ensure that the interior temperature does not exceed 100 degrees Fahrenheit.

(l) The tanning facility operator shall comply with sanitizing procedures specified by the manufacturer of the tanning equipment between users.

Subd. 2. [STANDARDS FOR STAND-UP TANNING BOOTHS.] In addition to the requirements in subdivision 1, tanning booths designed for stand-up use must comply with the following additional requirements:

(1) booths must have physical barriers or other means, such as handrails or floor markings, to indicate the proper exposure distance between ultraviolet lamps and the consumer's skin;

(2) booths must be constructed with sufficient strength and rigidity to withstand the stress of use and the impact of a falling individual;

(3) access to booths must be of rigid construction; and

(4) booths must be equipped with handrails and nonslip floors.

Sec. 4. [461.20] [PROTECTIVE GOGGLES REQUIRED.]

(a) The tanning facility owner or operator shall provide protective goggles to each consumer for use with the tanning equipment. The protective goggles must meet the requirements of Code of Federal Regulations, title 21, part 1040.20(c)(4).

(b) Tanning facility owners and operators shall require that consumers wear the protective goggles required by this section. The tanning facility owner or operator shall ensure that the protective goggles required by this section are properly sanitized before each use and shall not rely upon exposure to the ultraviolet radiation produced by the tanning equipment itself to provide the sanitizing.

Sec. 5. [461.21] [POSTED WARNING REQUIRED.]

(a) The facility owner or operator shall conspicuously post the warning sign described in paragraph (b) within three feet of each tanning station. The sign must be clearly visible, not obstructed by any barrier, equipment, or other object, and must be posted so that it can be easily viewed by the consumer before energizing the tanning equipment.

(b) The warning sign required in paragraph (a) shall have dimensions not less than eight inches by ten inches, and must have the following wording:

"DANGER - ULTRAVIOLET RADIATION

-Follow instructions.

-Avoid overexposure. As with natural sunlight, overexposure can cause eye and skin injury and allergic reactions. Repeated exposure may cause premature aging of the skin and skin cancer.

-Wear protective eyewear.

FAILURE TO USE PROTECTIVE EYEWEAR MAY RESULT  
IN SEVERE BURNS OR LONG-TERM INJURY TO THE EYES.

-Medications or cosmetics may increase your sensitivity to the ultraviolet radiation. Consult a physician before using sunlamp or tanning equipment if you are using medications or have a history of skin problems or believe yourself to be especially sensitive to sunlight."

Sec. 6. [461.22] [NOTICE TO CONSUMER.]

The tanning facility owner or operator shall provide each consumer under the age of 18, before initial exposure at the facility, with a copy of the following warning, which must be signed, witnessed, and dated as indicated in the warning:

"WARNING STATEMENT

This statement must be read and signed by the consumer BEFORE first exposure to ultraviolet radiation for tanning purposes at the below signed facility.

DANGER - ULTRAVIOLET RADIATION WARNING

-Follow instructions.

-Avoid overexposure. As with natural sunlight, overexposure can cause eye and skin injury and allergic reactions. Repeated exposure may cause premature aging of the skin and skin cancer.

-Wear protective eyewear.

FAILURE TO USE PROTECTIVE EYEWEAR MAY RESULT IN SEVERE BURNS OR LONG-TERM INJURY TO THE EYES.

-Medications or cosmetics may increase your sensitivity to the ultraviolet radiation. Consult a physician before using sunlamp or tanning equipment if you are using medications or have a history of skin problems or believe yourself to be especially sensitive to sunlight.

I have read the above warning and understand what it means before undertaking any tanning equipment exposure.

.....  
Signature of Operator of  
Tanning Facility or Equipment

.....  
Signature of Consumer

.....  
Print Name of Consumer

.....  
Date

OR

The consumer is illiterate and/or visually impaired and I have read the warning statement aloud and in full to the consumer in the presence of the below signed witness.

.....  
Signature of Operator of  
Tanning Facility or Equipment

.....  
Witness

.....  
Date"

## Sec. 7. [461.23] [RECORDS REQUIRED.]

The tanning facility owner or operator shall maintain a record of each consumer's total number of tanning visits at the facility, and the dates and durations of tanning exposures for a period of three years after exposure.

## Sec. 8. [461.24] [CONSENT REQUIRED.]

Before allowing the initial exposure at a tanning facility of a person under the age of 18, the owner or operator shall witness the person's parent's or legal guardian's signing and dating of the warning statement required under section 461.22.

## Sec. 9. [461.25] [PENALTY.]

Any person who leases tanning equipment or who owns a tanning facility and who operates or permits the equipment or facility to be operated in noncompliance with the requirements of sections 461.16 to 461.24 is guilty of a petty misdemeanor.

## Sec. 10. [461.26] [LOCAL ORDINANCE AUTHORIZATION.]

Sections 461.16 to 461.25 do not preempt a local ordinance which provides for more restrictive regulation of tanning facilities than required in sections 461.16 to 461.25."

Delete the title and insert:

"A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; authorizing local units of government to license and otherwise regulate these facilities; establishing record keeping requirements; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 461."

Asch moved to amend the Asch amendment to S. F. No. 751, as follows:

Page 1, delete lines 16 and 17

Renumber the remaining subdivisions in sequence

Page 1, line 21, before the period, insert "; however an operator in an apartment or a condominium need not exercise direct supervision or be physically on the premises at all times"

Page 4, line 2, before the period, insert "; except that, in an apartment or a condominium, the operator may check the facility periodically"

Page 4, line 31, after "use" insert "unless the goggles are owned by the consumer."

Page 7, line 6, after the period, insert "In an apartment or a condominium a record of tokens sold is sufficient."

Page 7, line 9, delete "18" and insert "16"

Amend the title as follows:

Page 7, line 2, delete "local government" and insert "commerce"

Page 7, line 3, delete "authorizing"

Page 7, delete line 4

Page 7, line 5, delete "regulate these facilities;"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Asch amendment, as amended, to S. F. No. 751. The motion prevailed and the amendment, as amended, was adopted.

S. F. No. 751, A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; establishing record keeping requirements; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 461.

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 102 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Jennings	Lieder	Neary	Rest	Tunheim
Anderson, I.	Davids	Johnson, A.	Limmer	Ness	Rhodes	Van Dellen
Anderson, R.	Deimont	Johnson, R.	Lourey	Olson, E.	Rice	Vellenga
Asch	Dom	Johnson, V.	Luther	Olson, K.	Rodosovich	Wagenius
Battaglia	Evans	Kahn	Lynch	Opatz	Rukavina	Weaver
Bauerly	Farrell	Kalis	Macklin	Orenstein	Sarna	Wejcman
Beard	Garcia	Kelley	Mahon	Orfield	Seagren	Welle
Bishop	Greenfield	Kelso	Mariani	Osthoff	Sekhon	Werzel
Blatz	Greiling	Kinkel	McCollum	Ostrom	Simoneau	Winter
Brown, C.	Hausman	Klinzing	McGuire	Pauly	Solberg	Wolf
Brown, K.	Holsten	Knickerbocker	Milbert	Pawlenty	Sparby	Workman
Carlson	Huntley	Koppendrayer	Morrison	Perit	Swenson	Spk. Long
Carruthers	Jacobs	Krueger	Mosel	Peterson	Tomassoni	
Clark	Jaros	Lasley	Munger	Pugh	Tompkins	
Commers	Jefferson	Leppik	Murphy	Reding	Trimble	

Those who voted in the negative were:

Bergson	Dempsey	Gruenes	Krinkie	Onnen	Sviggum
Bertram	Erhardt	Gutknecht	Lindner	Ozment	Vickerman
Bettermann	Frerichs	Hasskamp	Molnau	Smith	Waltman
Dauner	Girard	Haukoos	Nelson	Stanius	Worke
Dehler	Goodno	Hugoson	Olson, M.	Steensma	

The bill was passed, as amended, and its title agreed to.

S. F. No. 441, A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181.

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	Beard	Brown, C.	Cooper	Dom	Girard	Hasskamp
Anderson, I.	Bergson	Brown, K.	Dauner	Erhardt	Goodno	Haukoos
Anderson, R.	Bertram	Carlson	Davids	Evans	Greenfield	Hausman
Asch	Bettermann	Carruthers	Dehler	Farrell	Greiling	Holsten
Battaglia	Bishop	Clark	Deimont	Frerichs	Gruenes	Hugoson
Bauerly	Blatz	Commers	Dempsey	Garcia	Gutknecht	Huntley

Jacobs	Knickerbocker	Mahon	Olson, E.	Perlt	Smith	Vickerman
Jaros	Koppendrayer	Mariani	Olson, K.	Peterson	Solberg	Wagenius
Jefferson	Krinkie	McCollum	Olson, M.	Pugh	Sparby	Waltman
Jennings	Krueger	McGuire	Ornen	Reding	Stanius	Weaver
Johnson, A.	Lasley	Milbert	Opatz	Rest	Steensma	Wejcman
Johnson, R.	Leppik	Molnau	Orenstein	Rhodes	Sviggum	Welle
Johnson, V.	Lieder	Morrison	Orfield	Rice	Swenson	Wenzel
Kahn	Limmer	Mosel	Osthoff	Rodosovich	Tomassoni	Winter
Kalis	Lindner	Munger	Ostrom	Rukavina	Tompkins	Wolf
Kelley	Lourey	Murphy	Ozment	Sarna	Trimble	Worke
Kelso	Luther	Neary	Pauly	Seagren	Tunheim	Workman
Kinkel	Lynch	Nelson	Pawlenty	Sekhon	Van Dellen	Spk. Long
Klinzing	Macklin	Ness	Pelowski	Simoneau	Vellenga	

The bill was passed and its title agreed to.

S. F. No. 826, A bill for an act relating to counties; allowing counties to impose fees or interest on late payments; amending Minnesota Statutes 1992, section 373.41.

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	Dauner	Hausman	Krinkie	Murphy	Reding	Tompkins
Anderson, I.	Dauids	Holsten	Krueger	Neary	Rest	Trimble
Anderson, R.	Dehler	Hugoson	Lasley	Nelson	Rhodes	Tunheim
Asch	Delmont	Huntley	Leppik	Ness	Rice	Van Dellen
Battaglia	Dempsey	Jacobs	Lieder	Olson, E.	Rodosovich	Vellenga
Bauerly	Dorn	Jaros	Limmer	Olson, K.	Rukavina	Vickerman
Beard	Erhardt	Jefferson	Lindner	Olson, M.	Sarna	Wagenius
Bergson	Evans	Jennings	Lourey	Ornen	Seagren	Waltman
Bertram	Farrell	Johnson, A.	Luther	Opatz	Sekhon	Weaver
Bettermann	Frerichs	Johnson, R.	Lynch	Orenstein	Simoneau	Wejcman
Bishop	Garcia	Johnson, V.	Macklin	Orfield	Skoglund	Welle
Blatz	Girard	Kahn	Mahon	Ostrom	Smith	Wenzel
Brown, C.	Goodno	Kalis	Mariani	Ozment	Solberg	Winter
Brown, K.	Greenfield	Kelley	McGuire	Pauly	Sparby	Wolf
Carlson	Greiling	Kelso	Milbert	Pawlenty	Stanius	Worke
Carruthers	Gruenes	Kinkel	Molnau	Pelowski	Steensma	Workman
Clark	Gutknecht	Klinzing	Morrison	Perlt	Sviggum	Spk. Long
Commers	Hasskamp	Knickerbocker	Mosel	Peterson	Swenson	
Cooper	Haukoos	Koppendrayer	Munger	Pugh	Tomassoni	

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

S. F. No. 1141, A bill for an act relating to cities; allowing the use of self-insurance funds or pools to satisfy statutory bond requirements; amending Minnesota Statutes 1992, section 471.981, 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	Dauner	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, I.	Davids	Holsten	Lasley	Neary	Reding	Tompkins
Anderson, R.	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Asch	Delmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Battaglia	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Bauerly	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bergson	Evans	Jennings	Luther	Onnen	Sarna	Wagenius
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bishop	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcman
Blatz	Girard	Kahn	Mariani	Osthoff	Skoglund	Wenzel
Brown, C.	Goodno	Kalis	McCollum	Ostrom	Smith	Winter
Brown, K.	Greenfield	Kelley	McGuire	Ozment	Solberg	Wolf
Carlson	Greiling	Kinkel	Milbert	Pauly	Sparby	Worke
Carruthers	Gruenes	Klinzing	Molnau	Pawlenty	Stanius	Workman
Clark	Gutknecht	Knickerbocker	Morrison	Pelowski	Steenasma	Spk. Long
Commers	Hasskamp	Koppendraye	Mosel	Perlt	Sviggum	
Cooper	Haukoos	Krinkie	Munger	Peterson	Swenson	

The bill was passed and its title agreed to.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today, Wednesday, May 12, 1993:

H. F. Nos. 1415, 1486 and 555; S. F. No. 162; H. F. Nos. 761, 986 and 1106; and S. F. Nos. 141 and 567.

#### SPECIAL ORDERS, Continued

S. F. No. 235 was reported to the House.

Ostrom moved to amend S. F. No. 235, the unofficial engrossment, as follows:

Page 1, line 8, delete "shall" and insert "may"

The motion prevailed and the amendment was adopted.

S. F. No. 235, A bill for an act relating to state lands; authorizing release of a reversionary interest in certain state lands conveyed to the city of St. Peter.

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	Dauner	Hausman	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Dauids	Holsten	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Reding	Tompkins
Asch	Delmont	Huntley	Leppik	Nelson	Rest	Trimble
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dorn	Jaros	Limmer	Olson, E.	Rice	Van Dellen
Beard	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Evans	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, A.	Luther	Ornen	Sarna	Wagenius
Bettermann	Frerichs	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Bishop	Garcia	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Girard	Kahn	Mahon	Orfield	Simoneau	Wejzman
Brown, C.	Goodno	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kelley	McCollum	Ostrom	Smith	Winter
Carlson	Greiling	Kelso	McGuire	Ozment	Solberg	Wolf
Carruthers	Gruenes	Kinkel	Milbert	Pauly	Sparby	Worke
Clark	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Workman
Commers	Hasskamp	Knickerbocker	Morrison	Pelowski	Steensma	Spk. Long
Cooper	Haukoos	Koppendraye	Mosel	Perlt	Sviggum	

The bill was passed, as amended, and its title agreed to.

S. F. No. 192 was reported to the House.

Lourey moved to amend S. F. No. 192, the unofficial engrossment, as follows:

Page 2, line 6, delete "a consideration of \$100" and insert "the appraised value of the land only"

The motion prevailed and the amendment was adopted.

S. F. No. 192, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Aitkin county.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Farrell	Huntley	Klinzing	Macklin	Olson, E.
Anderson, I.	Carruthers	Frerichs	Jacobs	Knickerbocker	Mahon	Olson, K.
Anderson, R.	Clark	Garcia	Jaros	Koppendraye	Mariani	Olson, M.
Battaglia	Commers	Girard	Jefferson	Krinkie	McCollum	Ornen
Bauerly	Cooper	Goodno	Jennings	Krueger	McGuire	Opatz
Beard	Dauner	Greenfield	Johnson, A.	Lasley	Milbert	Orenstein
Bergson	Dauids	Greiling	Johnson, R.	Leppik	Molnau	Orfield
Bertram	Dehler	Gruenes	Johnson, V.	Lieder	Morrison	Osthoff
Bettermann	Delmont	Gutknecht	Kahn	Limmer	Mosel	Ostrom
Bishop	Dempsey	Hasskamp	Kalis	Lindner	Murphy	Ozment
Blatz	Dorn	Haukoos	Kelley	Lourey	Neary	Pauly
Brown, C.	Erhardt	Holsten	Kelso	Luther	Nelson	Pawlenty
Brown, K.	Evans	Hugoson	Kinkel	Lynch	Ness	Pelowski

Perl	Rice	Simoneau	Steensma	Tunheim	Weaver	Workman
Peterson	Rodosovich	Skoglund	Sviggum	Van Dellen	Wejcman	Spk. Long
Pugh	Rukavina	Smith	Swenson	Vellenga	Wenzel	
Reding	Sarna	Solberg	Tomassoni	Vickerman	Winter	
Rest	Seagren	Sparby	Tompkins	Wagenius	Wolf	
Rhodes	Sekhon	Stanius	Trimble	Waltman	Worke	

Those who voted in the negative were:

Munger

The bill was passed, as amended, and its title agreed to.

S. F. No. 262, A bill for an act relating to the city of Saint Paul; authorizing the city by ordinance to prepare, adopt, and amend design districts and design framework, to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

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	Cooper	Hausman	Krinkie	Mosel	Perl	Sviggum
Anderson, I.	Dauner	Holsten	Krueger	Munger	Peterson	Swenson
Anderson, R.	Davids	Hugoson	Lasley	Murphy	Pugh	Tomassoni
Asch	Dehler	Huntley	Leppik	Nelson	Reding	Tompkins
Battaglia	Delmont	Jacobs	Lieder	Ness	Rest	Trimble
Bauerly	Dempsey	Jaros	Limmer	Olson, E.	Rhodes	Tunheim
Beard	Dorn	Jefferson	Lindner	Olson, K.	Rice	Van Dellen
Bergson	Erhardt	Jennings	Lourey	Olson, M.	Rodosovich	Vellenga
Bertram	Evans	Johnson, A.	Luther	Onnen	Rukavina	Vickerman
Bettermann	Farrell	Johnson, R.	Lynch	Opatz	Sarna	Wagenius
Bishop	Frerichs	Johnson, V.	Macklin	Orenstein	Seagren	Waltman
Blatz	Garcia	Kalis	Mahon	Orfield	Sekhon	Weaver
Brown, C.	Girard	Kelley	Mariani	Osthoff	Simoneau	Wejcman
Brown, K.	Goodno	Kelso	McCollum	Ostrom	Smith	Wenzel
Carlson	Gruenes	Kinkel	McGuire	Ozment	Solberg	Winter
Carruthers	Gutknecht	Klinzing	Milbert	Pauly	Sparby	Worke
Clark	Hasskamp	Knickerbocker	Molnau	Pawlenty	Stanius	Workman
Commers	Haukoos	Koppendrayer	Morrison	Pelowski	Steensma	Spk. Long

The bill was passed and its title agreed to.

Bishop was excused while in conference.

S. F. No. 207 was reported to the House.

Lourey moved to amend S. F. No. 207, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 13.99, subdivision 49, is amended to read:

Subd. 49. [CLIENT, LICENSEE, AND REPORTING OF VIOLATIONS RECORDS OBTAINED BY BOARDS ON MENTAL HEALTH AND SOCIAL WORK.] Client records obtained by a board conducting an investigation under chapter 148B are classified by section 148B.09. Certain licensing data and data in reports of violations under chapter 148B are classified by sections 148B.04 and 148B.08.

Sec. 2. Minnesota Statutes 1992, section 148B.04, is amended by adding a subdivision to read:

Subd. 6. [CLASSIFICATION OF CERTAIN RESIDENCE ADDRESSES AND TELEPHONE NUMBERS.] Notwithstanding section 13.41, subdivision 2 or 4, the residence address and telephone number of an applicant or licensee are private data on individuals as defined in section 13.02, subdivision 12, if the applicant or licensee provides an alternative address and telephone number.

Sec. 3. Minnesota Statutes 1992, section 148B.08, subdivision 1, is amended to read:

Subdivision 1. [REPORTING.] Any person, health care facility, business, or organization is immune from civil liability or criminal prosecution for submitting in good faith a report under section 148B.07 or for otherwise reporting violations or alleged violations of this chapter. ~~All~~ The reports are ~~confidential~~ classified under section 13.41.

Sec. 4. Minnesota Statutes 1992, section 148B.18, subdivision 8, is amended to read:

Subd. 8. [PRIVATE PRACTICE.] "Private practice" means social work practice conducted by ~~an individual a licensee practicing within the permissible scope of a license, as defined in subdivision 11, and under appropriate supervision, as defined in subdivisions 11 and 12,~~ who is either self-employed, or a member of a partnership or of a group practice, rather than being employed by an agency, clinic, or other similar entity.

Sec. 5. Minnesota Statutes 1992, section 148B.18, subdivision 10, is amended to read:

Subd. 10. [QUALIFIED MENTAL HEALTH PROFESSIONAL.] "Qualified mental health professional" means a psychiatrist, board-certified or eligible for board certification, and licensed under chapter 147; a psychologist licensed under sections 148.88 to 148.98; an independent clinical social worker who has the qualifications in section 148B.21, subdivision 6; a psychiatric registered nurse with a master's degree from an accredited school of nursing, licensed under section 148.211, with at least two years of post-master's supervised experience in direct clinical practice; or a marriage and family therapist who is licensed under sections 148B.29 to 148B.39; or an equivalent mental health professional, as determined by the board, who is licensed or certified by a board or agency in another state or territory.

Sec. 6. Minnesota Statutes 1992, section 148B.19, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The board of social work is created. The board consists of ~~ten~~ 11 members appointed by the governor. The members are:

- (1) ~~six~~ eight social workers licensed under sections 148B.18 to 148B.28; and
- (2) three public members as defined in section 214.02; and
- (3) ~~one school social worker licensed by the board of teaching.~~

Sec. 7. Minnesota Statutes 1992, section 148B.19, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS OF BOARD MEMBERS.] The ~~six~~ eight social worker members of the board shall be as follows: two licensed independent clinical social workers, two licensed independent social workers, and ~~two~~ four licensed social workers.

Social worker members shall ~~represent~~ be engaged in the practice of social work in Minnesota in the following employment settings:

- (1) ~~two members~~ one member shall be ~~public agency social workers engaged in the practice of social work in a state agency;~~
- (2) one member shall be engaged in the practice of social work in a county agency;
- (3) two members shall be engaged in the practice of social work in a private agency social workers;
- (4) ~~(3)~~ (4) one member shall be engaged in the practice of social work in a private practice clinical social work setting;

(4) ~~(5)~~ one member shall be an educator engaged in regular teaching duties at an accredited program of social work; and

~~(5) (6) one member shall be engaged in the practice of social work in an elementary, middle, or secondary school, as defined in section 120.05; and~~

(7) one member shall be employed in a hospital or nursing home licensed under chapter 144 or 144A.

In addition, at least ~~two~~ three members shall be persons of color and at least four members shall reside outside of the seven-county metropolitan area.

Sec. 8. Minnesota Statutes 1992, section 148B.21, subdivision 3, is amended to read:

Subd. 3. [SOCIAL WORKER.] To be licensed as a social worker, an applicant must provide evidence satisfactory to the board that the applicant:

- (1) has received a baccalaureate degree from an accredited program of social work;
- (2) has passed the examination provided for in section 148B.20, subdivision 1;
- (3) will engage in social work practice only under supervision as defined in section 148B.18, subdivision 12, for at least two years in full-time employment or 4,000 hours of part-time employment; and
- (4) will conduct all professional activities as a social worker in accordance with standards for professional conduct established by the rules of the board; and

(5) has not engaged in conduct warranting a disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant's showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.

Sec. 9. Minnesota Statutes 1992, section 148B.21, subdivision 4, is amended to read:

Subd. 4. [GRADUATE SOCIAL WORKER.] To be licensed as a graduate social worker, an applicant must provide evidence satisfactory to the board that the applicant:

- (1) has received a master's degree from an accredited program of social work or doctoral degree in social work;
- (2) has passed the examination provided for in section 148B.20, subdivision 1;
- (3) will engage in social work practice only under supervision as defined in section 148B.18, subdivision 12; and
- (4) will conduct all professional activities as a graduate social worker in accordance with standards for professional conduct established by the rules of the board; and

(5) has not engaged in conduct warranting a disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant's showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.

Sec. 10. Minnesota Statutes 1992, section 148B.21, subdivision 5, is amended to read:

Subd. 5. [INDEPENDENT SOCIAL WORKER.] To be licensed as an independent social worker, an applicant must provide evidence satisfactory to the board that the applicant:

- (1) has received a master's degree from an accredited program of social work or doctoral degree in social work;
- (2) has passed the examination provided for in section 148B.20, subdivision 1;

(3) has practiced social work for at least two years in full-time employment or 4,000 hours of part-time employment under supervision as defined in section 148B.18, subdivision 12, after receiving the master's or doctoral degree in social work; and

(4) will conduct all professional activities as an independent social worker in accordance with standards for professional conduct established by the rules of the board; and

(5) has not engaged in conduct warranting a disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant's showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.

Sec. 11. Minnesota Statutes 1992, section 148B.21, subdivision 6, is amended to read:

Subd. 6. [INDEPENDENT CLINICAL SOCIAL WORKER.] To be licensed as an independent clinical social worker, an applicant must provide evidence satisfactory to the board that the applicant:

(1) has received a master's degree from an accredited program of social work, or doctoral degree in social work, that included an advanced concentration of clinically oriented course work as defined by the board and a supervised clinical field placement at the graduate level, or post-master's clinical training that is found by the board to be equivalent to that course work and field placement;

(2) has practiced clinical social work for at least two years in full-time employment or 4,000 hours of part-time employment under supervision as defined in section 148B.18, subdivision 12, after receiving the master's or doctoral degree in social work;

(3) has passed the examination provided for in section 148B.20, subdivision 1; and

(4) will conduct all professional activities as an independent clinical social worker in accordance with standards for professional conduct established by the rules of the board; and

(5) has not engaged in conduct warranting a disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant's showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.

Sec. 12. Minnesota Statutes 1992, section 148B.21, is amended by adding a subdivision to read:

Subd. 9. [SUPERVISION REQUIREMENT.] If supervised social work practice is required for licensure under this section, and if the applicant has not engaged in the practice of social work during the five years preceding the applicant's application for licensure, then the board may grant a conditional license to the applicant that would require that the applicant obtain additional social work supervision or additional continuing education hours, or both, within a specified time period after licensure. The board shall establish rules to implement this section.

Sec. 13. Minnesota Statutes 1992, section 148B.26, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] The board may refuse to renew or to grant a license to, or may suspend, revoke, or restrict the license of an individual whom the board, after a hearing under the contested case provisions of chapter 14, determines:

(1) is incompetent to engage in social work practice, ~~or~~ is found to be engaged in social work practice in a manner harmful or dangerous to a client or to the public, or is found to have engaged in unprofessional conduct, as established by statute, rule, or a consensus of expert social work opinion as reasonably necessary for the protection of the public interest;

(2) has violated the rules of the board ~~or~~, the statutes the board is empowered to enforce, or any other law that is related to the practice of social work;

(3) has obtained or attempted to obtain a license or license renewal by bribery or fraudulent representation; or

(4) has knowingly made a false statement on a form required by the board for licensing or license renewal.

Sec. 14. Minnesota Statutes 1992, section 148B.27, is amended by adding a subdivision to read:

Subd. 2a. [JURISDICTION.] Nothing in sections 148B.60 to 148B.72 shall prohibit the board from taking disciplinary or other action that the board is authorized to take against either a licensee who is found to be practicing outside the scope of the license or a person who is found to be engaging in the unauthorized practice of social work.

Sec. 15. Minnesota Statutes 1992, section 148B.28, subdivision 2, is amended to read:

Subd. 2. [STUDENTS.] Nothing in sections 148B.18 to 148B.28 shall be construed to prevent students enrolled in an internship, externship, or any other social work experience that is required for the completion of an accredited program of social work to engage in does not constitute the practice of social work under this chapter.

Sec. 16. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to occupations and professions; boards of social work and marriage and family therapy; providing for data classifications; changing board membership; adding certain licensing requirements to the board of social work; amending Minnesota Statutes 1992, sections 13.99, subdivision 49; 148B.04, by adding a subdivision; 148B.08, subdivision 1; 148B.18, subdivisions 8 and 10; 148B.19, subdivisions 1 and 2; 148B.21, subdivisions 3, 4, 5, 6, and by adding a subdivision; 148B.26, subdivision 1; 148B.27, by adding a subdivision; and 148B.28, subdivision 2."

The motion prevailed and the amendment was adopted.

Johnson, R., and Lourey moved to amend S. F. No. 207, as amended, as follows:

Page 3, line 30, before the semicolon insert ", and licensed by the board of teaching"

The motion prevailed and the amendment was adopted.

S. F. No. 207, A bill for an act relating to occupations and professions; boards of social work and marriage and family therapy; providing for data classifications and providing certain immunities for supervisors and persons reporting violations; changing board membership; adding certain licensing requirements to the board of social work; amending Minnesota Statutes 1992, sections 13.99, subdivision 49; 148B.04, by adding a subdivision; 148B.08, subdivision 1, and by adding a subdivision; 148B.18, subdivisions 8 and 10; 148B.19, subdivisions 1 and 2; 148B.21, subdivisions 3, 4, 5, 6, and by adding a subdivision; 148B.26, subdivision 1; 148B.27, by adding a subdivision; and 148B.28, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bergson	Carruthers	Delmont	Garcia	Hasskamp	Jaros
Anderson, I.	Bertram	Clark	Dempsey	Girard	Haukoos	Jefferson
Anderson, R.	Bettermann	Commers	Dorn	Goodno	Hausman	Jennings
Asch	Blatz	Cooper	Erhardt	Greenfield	Holsten	Johnson, A.
Battaglia	Brown, C.	Dauner	Evans	Greiling	Hugoson	Johnson, R.
Bauerly	Brown, K.	Davids	Farrell	Gruenes	Huntley	Johnson, V.
Beard	Carlson	Dehler	Frerichs	Gutknecht	Jacobs	Kahn

Kalis	Limmer	Mosel	Orfield	Rhodes	Stanius	Waltman
Kelley	Lindner	Munger	Osthoff	Rice	Steensma	Weaver
Kelso	Lourey	Murphy	Ostrom	Rodosovich	Sviggum	Wejcman
Kinkel	Luther	Neary	Ozment	Rukavina	Swenson	Welle
Klinzing	Lynch	Nelson	Pauly	Sarna	Tomassoni	Wenzel
Knickerbocker	Macklin	Ness	Pawlenty	Seagren	Tompkins	Winter
Koppendrayer	Mahon	Olson, E.	Pelowski	Sekhon	Trimble	Wolf
Krinkie	Mariani	Olson, K.	Perlt	Simoneau	Tunheim	Worke
Krueger	McGuire	Olson, M.	Peterson	Skoglund	Van Dellen	Workman
Lasley	Milbert	Onnen	Pugh	Smith	Vellenga	Spk. Long
Leppik	Molnau	Opatz	Reding	Solberg	Vickerman	
Lieder	Morrison	Orenstein	Rest	Sparby	Wagenius	

The bill was passed, as amended, and its title agreed to.

S. F. No. 229, A bill for an act relating to watercraft; mirror requirements for watercraft towing persons on various devices; amending Minnesota Statutes 1992, section 86B.313, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauids	Hausman	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Dawkins	Holsten	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Reding	Tompkins
Asch	Delmont	Huntley	Leppik	Nelson	Rest	Trimble
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dorn	Jaros	Limmer	Olson, E.	Rice	Van Dellen
Beard	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Evans	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, A.	Luther	Onnen	Sarna	Wagenius
Bettermann	Frerichs	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Girard	Kahn	Mahon	Orfield	Simoneau	Wejcman
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Skoglund	Welle
Carlson	Greenfield	Kelley	McCollum	Ostrom	Smith	Wenzel
Carruthers	Greiling	Kelso	McGuire	Ozment	Solberg	Winter
Clark	Gruenes	Kinkel	Milbert	Pauly	Sparby	Wolf
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Worke
Cooper	Hasskamp	Knickerbocker	Morrison	Pelowski	Steensma	Workman
Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum	Spk. Long

The bill was passed and its title agreed to.

S. F. No. 58, A bill for an act relating to local governments; permitting local governments to require the payment of legal fees incurred by peace officers who are the subject of investigation by a civilian review authority; amending Minnesota Statutes 1992, section 471.44.

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	Davids	Hausman	Krinkie	Murphy	Pugh	Tomassoni
Anderson, I.	Dawkins	Holsten	Krueger	Neary	Reding	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Nelson	Rest	Trimble
Asch	Delmont	Huntley	Leppik	Ness	Rhodes	Tunheim
Battaglia	Dempsey	Jacobs	Lieder	Olson, E.	Rice	Van Dellen
Bauerly	Dorn	Jaros	Limmer	Olson, K.	Rodosovich	Vellenga
Beard	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Bergson	Evans	Jennings	Luther	Ornen	Sarna	Wagenius
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejzman
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Stenius	Worke
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Mosel	Perlt	Swiggum	Spk. Long
Dauner	Haukoos	Koppendraye	Munger	Peterson	Swenson	

The bill was passed and its title agreed to.

S. F. No. 1036, A bill for an act relating to commerce; trade practices; regulating transfers and sales of recordings; prescribing penalties; amending Minnesota Statutes 1992, sections 325E.17; 325E.18; 325E.19; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E; repealing Minnesota Statutes 1992, section 325E.20.

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 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hausman	Krueger	Murphy	Pugh	Tompkins
Anderson, I.	Dawkins	Holsten	Lasley	Neary	Reding	Trimble
Anderson, R.	Dehler	Hugoson	Leppik	Nelson	Rest	Tunheim
Asch	Delmont	Huntley	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Vellenga
Bauerly	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vickerman
Beard	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Wagenius
Bergson	Evans	Jennings	Luther	Ornen	Sarna	Waltman
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Weaver
Bettermann	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Wejzman
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Welle
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Winter
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Wolf
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Worke
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Steensma	Workman
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Swiggum	Spk. Long
Cooper	Hasskamp	Knickerbocker	Mosel	Perlt	Swenson	
Dauner	Haukoos	Krinkie	Munger	Peterson	Tomassoni	

Those who voted in the negative were:

Koppendraye Stanius

The bill was passed and its title agreed to.

H. F. No. 1415, A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders; amending Minnesota Statutes 1992, sections 17.53, subdivisions 2, 8, and 13; 17.59, subdivision 2; and 17.63.

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 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Nelson	Rhodes	Van Dellen
Anderson, I.	Dehler	Hugoson	Lasley	Ness	Rice	Vellenga
Anderson, R.	Delmont	Huntley	Leppik	Olson, E.	Rodosovich	Vickerman
Battaglia	Dempsey	Jacobs	Lieder	Olson, K.	Rukavina	Wagenius
Bauerly	Dorn	Jaros	Limmer	Olson, M.	Sarna	Waltman
Beard	Erhardt	Jefferson	Lindner	Onnen	Seagren	Weaver
Bergson	Evans	Jennings	Lourey	Opatz	Sekhon	Wejcman
Bertram	Farrell	Johnson, A.	Luther	Orenstein	Simoneau	Welle
Bettermann	Frerichs	Johnson, R.	Lynch	Orfield	Skoglund	Wenzel
Blatz	Garcia	Johnson, V.	Macklin	Ostrom	Smith	Winter
Brown, C.	Girard	Kahn	Mahon	Ozment	Solberg	Wolf
Brown, K.	Goodno	Kalis	Mariani	Pauly	Sparby	Worke
Carlson	Greenfield	Kelley	McCollum	Pawlenty	Steensma	Workman
Carruthers	Greiling	Kelso	McGuire	Pelowski	Sviggum	Spk. Long
Clark	Gruenes	Kinkel	Milbert	Perlt	Swenson	
Commers	Gutknecht	Klinzing	Molnau	Peterson	Tomassoni	
Cooper	Hasskamp	Knickerbocker	Morrison	Pugh	Tompkins	
Dauner	Haukoos	Koppendrayner	Mosel	Reding	Trimble	
Davids	Hausman	Krinkie	Murphy	Rest	Tunheim	

Those who voted in the negative were:

Asch	Osthoff	Stanius
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The bill was passed and its title agreed to.

H. F. No. 1486, A bill for an act relating to libraries; requiring the metropolitan council to conduct a study of metropolitan area libraries and library systems and report to the legislature.

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 82 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Jaros	Lasley	Nelson	Rest	Tomassoni
Anderson, R.	Dawkins	Jefferson	Leppik	Olson, E.	Rhodes	Tompkins
Asch	Dorn	Jennings	Lieder	Olson, K.	Rodosovich	Trimble
Battaglia	Evans	Johnson, A.	Lourey	Opatz	Rukavina	Tunheim
Bauerly	Farrell	Johnson, V.	Luther	Orenstein	Sarna	Vellenga
Beard	Garcia	Kahn	Lynch	Orfield	Sekhon	Wagenius
Bertram	Goodno	Kalis	Mahon	Osthoff	Simoneau	Wejcman
Brown, C.	Greenfield	Kelley	Mariani	Ostrom	Skoglund	Wenzel
Brown, K.	Greiling	Kelso	McCollum	Pauly	Solberg	Winter
Carlson	Gruenes	Klinzing	McGuire	Pelowski	Sparby	Spk. Long
Carruthers	Huntley	Krinkie	Munger	Peterson	Steensma	
Clark	Jacobs	Krueger	Murphy	Reding	Swenson	

Those who voted in the negative were:

Abrams	Dehler	Haukoos	Lindner	Olson, M.	Smith	Worke
Bergson	Delmont	Holsten	Macklin	Onnen	Stanius	Workman
Bettermann	Dempsey	Hugoson	Milbert	Ozment	Sviggum	
Bishop	Erhardt	Johnson, R.	Molnau	Pawlenty	Van Dellen	
Blatz	Frerichs	Kinkel	Morrison	Perlt	Vickerman	
Commers	Girard	Knickerbocker	Mosel	Pugh	Waltman	
Cooper	Gutknecht	Koppendrayer	Neary	Rice	Weaver	
Davids	Hasskamp	Limmer	Ness	Seagren	Wolf	

The bill was passed and its title agreed to.

H. F. No. 555, A bill for an act relating to insurance; credit; permitting the sale of credit involuntary unemployment insurance; amending Minnesota Statutes 1992, sections 47.016, subdivision 1; 48.185, subdivision 4; 52.04, subdivision 1; 56.125, subdivision 3; 56.155, subdivision 1; 60K.03, subdivision 7; 60K.19, subdivision 3; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, by adding a subdivision; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, 4, and by adding subdivisions; 62B.09, subdivision 3; 62B.11; 62B.12; and 72A.20, subdivision 27.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Holsten	Krueger	Murphy	Pugh	Tompkins
Anderson, I.	Davids	Hugoson	Lasley	Neary	Reding	Trimble
Anderson, R.	Dawkins	Huntley	Leppik	Nelson	Rest	Tunheim
Asch	Dehler	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Delmont	Jaros	Limmer	Olson, E.	Rice	Vellenga
Bauerly	Dempsey	Jefferson	Lindner	Olson, K.	Rodosovich	Vickerman
Beard	Dorn	Jennings	Lourey	Olson, M.	Rukavina	Wagenius
Bergson	Evans	Johnson, A.	Luther	Onnen	Sarna	Waltman
Bertram	Farrell	Johnson, R.	Lynch	Opatz	Seagren	Weaver
Bettermann	Frerichs	Johnson, V.	Macklin	Orenstein	Sekhon	Wejcman
Bishop	Garcia	Kahn	Mahon	Orfield	Simoneau	Welle
Blatz	Girard	Kalis	Mariani	Osthoff	Smith	Wenzel
Brown, C.	Goodno	Kelley	McCollum	Ostrom	Solberg	Winter
Brown, K.	Greenfield	Kelso	McGuire	Ozment	Sparby	Wolf
Carlson	Greiling	Kinkel	Milbert	Pauly	Stanius	Worke
Carruthers	Gruenes	Klinzing	Molnau	Pawlenty	Steensma	Workman
Clark	Gutknecht	Knickerbocker	Morrison	Pelowski	Sviggum	Spk. Long
Commers	Hasskamp	Koppendrayer	Mosel	Perlt	Swenson	
Cooper	Haukoos	Krinkie	Munger	Peterson	Tomassori	

Those who voted in the negative were:

Erhardt	Hausman	Skoglund
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The bill was passed and its title agreed to.

S. F. No. 162 was reported to the House.

Reding moved to amend S. F. No. 162, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

UNCLASSIFIED EMPLOYEES RETIREMENT PLAN

Section 1. Minnesota Statutes 1992, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERAGE.] (a) Employees enumerated in paragraph (b), if they are in the unclassified service of the state and are eligible for coverage under the general state employees retirement plan under chapter 352, are participants in the unclassified program under this chapter unless the employee gives notice to the executive director of the Minnesota state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified plan.

(b) Enumerated employees are:

- (1) an employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general, or an employee of the state board of investment;
- (2) the head of a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4;
- (3) a permanent, full-time unclassified employee of the legislature or a commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system;
- (4) a person other than an employee of the state board of technical colleges who is employed in a position established under section 43A.08, subdivision 1, clause (3), or subdivision 1a, or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level;
- (5) the chair, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; the chair, executive director, and not to exceed three positions at the division director or assistant to the chair level of the regional transit board; a chief administrator who is an employee of the metropolitan transit commission; and the chair, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations may be made without approval of the board of directors of the Minnesota state retirement system;
- (6) the executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board before January 1, 1992, or subsequently redesignated with the approval of the board of directors of the Minnesota state retirement system, unless the person has elected coverage by the individual retirement account plan under chapter 354B;
- (7) the clerk of the appellate courts appointed under article VI, section 2, of the Constitution of the state of Minnesota;
- (8) the chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of human services;

(9) an employee whose principal employment is at the state ceremonial house;

(10) an employee of the Minnesota educational computing corporation;

(11) an employee of the world trade center board;

(12) an employee of the state lottery board who is covered by the managerial plan established under section 43A.18, subdivision 3; ~~and~~

(13) an employee of the state board of technical colleges employed in a position established under section 43A.08, subdivision 1, clause (3), or 1a, unless the person has elected coverage by the individual retirement account plan under chapter 354B; and

(14) an employee of the higher education board in a position established under section 136E.04, subdivision 2, unless the person has elected coverage by the individual retirement account plan under chapter 354B.

Sec. 2. Minnesota Statutes 1992, section 352D.02, subdivision 1a, is amended to read:

Subd. 1a. ~~[STATE UNIVERSITY HIGHER EDUCATION PERSONNEL.] Unless the person has elected coverage by the individual retirement account plan under chapter 354B the retirement program governed by this chapter, the chancellor, university presidents, and unclassified managerial employees in the state university system, the higher education board, the higher education coordinating board, and the technical college system chancellor's office shall participate in the individual retirement account plan under chapter 354B, if they are eligible for coverage under the state employees retirement fund, or the teachers retirement association, or would have been eligible for coverage under those funds but for this subdivision, subject to the provisions of subdivision 5. These employees also shall have social security coverage under the agreement between the state and the secretary of health and human services. Acting, temporary, or interim employees who would otherwise be covered by this section shall retain coverage by the general state employees retirement plan of the Minnesota state retirement system, teachers retirement association, or other Minnesota public employee retirement plan governed by section 356.30, whichever applies, during the pendency of the acting, temporary, or interim appointment and shall be covered by the unclassified plan governed by this chapter or the individual retirement account plan provided in section 354B.02, subdivision 3a, only if their appointment becomes permanent.~~

Sec. 3. Minnesota Statutes 1992, section 354B.01, is amended by adding a subdivision to read:

Subd. 6. [COVERED EMPLOYMENT; HIGHER EDUCATION BOARD MANAGERIAL EMPLOYEES.] "Covered employment," with respect to employment by the higher education board, means employment in a position described in section 352D.02, subdivision 1, paragraph (b), clause (14).

Sec. 4. Minnesota Statutes 1992, section 354B.02, subdivision 1, is amended to read:

Subdivision 1. [PLAN PARTICIPANTS.] (a) Except as provided in subdivision 2, or unless the person has elected retirement coverage under section 352D.02, subdivision 1a, a person who was first employed in covered employment under section 354B.01, subdivision 2 or 3, after June 30, 1989, shall participate in the plan.

(b) Except as provided in subdivision 2, or unless the person has elected retirement coverage under section 352D.02, subdivision 1, paragraph (b), clause (6) or (13), a person who was first employed in covered employment after July 1, 1992, shall participate in the plan.

(c) Participants or employees who would be participants in this plan but for prior participation in the teachers retirement association or other Minnesota public employee retirement plan governed by section 356.30, whichever applies, and who are subsequently appointed to a position with the community college system or the state university system designated as an acting, temporary, or interim position, shall remain in the teachers retirement association or the other Minnesota public employee plan during the term of the acting, temporary, or interim position. If the participant's status becomes permanent, the participant has the option to make a new election appropriate to the plan in which the position should be located.

Sec. 5. Minnesota Statutes 1992, section 354B.02, subdivision 3a, is amended to read:

Subd. 3a. [UNCLASSIFIED STATE UNIVERSITY SYSTEM EMPLOYEES.] State university system employees who would otherwise be covered by section 352D.02, subdivision 1a, ~~may elect coverage under the plan governed by this chapter shall be covered by the plan governed by this section unless they elect coverage under the plan governed by section 352D.02, subdivision 1a.~~ Election to participate in the plan governed by the unclassified employees plan must be made within 120 days of July 1, 1992, or the start of covered employment, ~~whichever is later.~~ If the employee does not elect to participate in the unclassified employees plan upon the start of covered employment, the employee shall participate in the individual retirement account plan. If no election is made within the 120 days, this participation must be permanent. Employees in covered employment on July 1, 1992, who would otherwise be covered by this section, but are already participating in the teachers retirement association governed by chapter 354 or the general state employees retirement plan governed by chapter 352, shall remain in the applicable plan unless an election is made to transfer to the plan governed by this chapter. The election must be made within 120 days of eligibility under the state unclassified employees retirement program governed by chapter 352D. An election to participate in the unclassified program or this plan is irrevocable during any period of service that would have been covered under chapter 352D or this chapter. This election must be made in the form prescribed in section 352D.12. Upon receipt of notice of transfer, the individual retirement account plan administrator shall transfer to the employee's account in this plan an amount equal to the employee and matching employer contributions to the credit of the person in the teachers retirement association, plus six percent compound annual interest thereon from the date that each contribution was made until the date that the transfer is made.

Sec. 6. Minnesota Statutes 1992, section 354B.02, is amended by adding a subdivision to read:

Subd. 3c. [HIGHER EDUCATION BOARD EMPLOYEES.] Employees in covered employment under section 354B.01, subdivision 6, may elect coverage under the plan. Election to participate in the plan must be made by December 31, 1993, or within 120 days of the start of covered employment, whichever is later, and is irrevocable during any period of covered employment in a position listed in section 352D.02, subdivision 1, paragraph (b), clause (14), which is established by the higher education board or the higher education facilities authority. These employees are not eligible for the supplemental retirement plan specified in sections 354B.07 to 354B.09.

Sec. 7. [EFFECTIVE DATE.]

Sections 2, 4, and 5 are effective July 1, 1993.

## ARTICLE 2

### INDIVIDUAL RETIREMENT ACCOUNT PLAN

Section 1. Minnesota Statutes 1992, section 354B.04, subdivision 1, is amended to read:

Subdivision 1. [MEMBER CONTRIBUTIONS.] (a) Persons in covered employment who would otherwise be eligible to participate in the teachers retirement association, but who participate in the plan, shall make a member contribution ~~in an amount equal to the amount prescribed by section 354.42, subdivision 2 of 4-1/2 percent of salary.~~

(b) Persons in covered employment who would otherwise be eligible to participate in the state unclassified employees retirement program, but who participate in the plan, shall make a member contribution in an amount equal to the member contribution amount prescribed in section 352D.04, subdivision 2, paragraph (a).

(c) The contribution must be made by payroll deduction each pay period.

Sec. 2. Minnesota Statutes 1992, section 354B.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] (a) The employer of persons described in subdivision 1, paragraph (a), shall make an employer contribution to the plan ~~in an amount equal to the amount prescribed by section 354.42, subdivision 3 of six percent of salary.~~

(b) The employer of persons described in subdivision 1, paragraph (b), shall make an employer contribution to the plan in an amount equal to the amount prescribed by section 352D.04, subdivision 2.

Sec. 3. Minnesota Statutes 1992, section 354B.04, is amended by adding a subdivision to read:

Subd. 4. [OMITTED CONTRIBUTIONS.] (a) Except as provided in paragraph (b), if the state university board or the community college board fails to make the deduction from an employee's salary required by section 354B.08 and this section in a timely fashion, the deduction must be made by subsequent payroll deductions.

(b) If a board fails to make required employee deductions within 60 days of the date on which the deductions should have been made, the board shall pay the employer contributions and an amount equivalent to 8.5 percent of the total amount due in lieu of interest. If an employee deduction is not made within 60 days of the date upon which it should have been made, the employer and employee may agree to an alternate deduction amount for the omitted employee contribution. The omitted employee deduction must be made within one year of the date upon which the deduction should have been made.

Sec. 4. [354B.045] [SABBATICAL LEAVE; CONTRIBUTIONS.]

Subdivision 1. [DEFINITION.] A "sabbatical leave" for the purpose of this section means a sabbatical leave as defined in the applicable personnel policy of the state university and community college boards.

Subd. 2. [REQUIRED EMPLOYEE AND EMPLOYER CONTRIBUTIONS.] Deductions for the employer contribution as specified in section 354B.04, subdivision 2, must be made by the employing unit from salary paid to the member for a sabbatical leave. The employer must make a contribution based on the contribution rate in section 354B.04, subdivision 2, based on the salary paid to the member for a sabbatical leave.

Subd. 3. [OPTIONAL CONTRIBUTION.] A plan participant who is on a sabbatical leave may make an optional employee contribution. The maximum optional employee contribution permitted is determined by the difference between the salary received for the sabbatical leave and the salary received for a comparable period during the year immediately preceding the leave, multiplied by the employee contribution rate specified in section 354B.04, subdivision 1. If an employee payment is made under this subdivision, the payment must be made by the end of the fiscal year following the fiscal year in which the leave terminates, and may not include interest. If an employee makes a contribution under this subdivision, the employer must make the employer contribution, at the rate specified in section 354B.04, subdivision 2, for the salary that was the basis for the employee payment under this subdivision. The employer contribution must be made within 60 days of the date on which the employee contribution was made.

Subd. 4. [REINSTATEMENT RIGHTS.] Notwithstanding the provisions of any agreements to the contrary, employee and employer contributions may not be made under this section if the member does not retain the right to full reinstatement both during and at the end of the sabbatical leave.

Sec. 5. Minnesota Statutes 1992, section 354B.05, is amended by adding a subdivision to read:

Subd. 5. [ADMINISTRATIVE EXPENSES.] (a) Plans covered by this chapter or administered by governing boards as provided in section 354B.05 may provide for administrative fees or charges to be paid by participants in the following manner:

(1) from participants whose contributions are invested with the state investment board the plan administrator may recover administrative expenses in the manner provided by section 11A.17, subdivisions 10a and 14; or

(2) from participants whose contributions are invested through contracts purchased in the manner authorized by subdivision 2, the plan administrator may assess an amount of up to two percent of the employer and employee contributions.

(b) Any amounts not needed for administrative expenses of the plan must be refunded to member accounts.

Sec. 6. [354B.085] [PAYMENT OF BENEFITS.]

Withdrawal of or a retirement benefit based on individual participant contributions and employer contributions plus accrued investment income is payable immediately upon the death or termination of a participant. An application by or on behalf of the participant must be filed before any payment of benefits may be made.

Sec. 7. Laws 1990, chapter 570, article 3, section 11, is amended to read:

Sec. 11. [TRANSFERS IN CERTAIN CASES.]

Notwithstanding any provision of Minnesota Statutes, section 354B.03, to the contrary, a person in covered employment under Minnesota Statutes, chapter 354, who was first employed for at least 25 percent of a full academic year, exclusive of summer session, by the state university system board or the community college board after June 30, 1988, and before July 1, 1989, and who has no less than one year of prior allowable service under chapter 354, and who elected, or elects before January 1, 1991, to have their the person's employee contributions transferred under Minnesota Statutes, chapter 354B, shall have an amount equal to the employer contributions made on behalf of the person under Minnesota Statutes, section 354.42, subdivision 3, plus annual interest compounded annually at a rate of six percent, transferred by the executive director of the teachers retirement association from the teachers retirement fund to the individual retirement account plan under Minnesota Statutes, chapter 354B. The election must be made on a form prescribed by the executive director and must be made by January 1, ~~1991~~ 1994.

Sec. 8. [REPEALER.]

Minnesota Statutes 1992, section 354B.02, subdivision 3, is repealed.

Sec. 9. [EFFECTIVE DATE.]

(a) Sections 1, 2, 3, 4, 5, 6, and 8 are effective July 1, 1993.

(b) Section 7 is effective on the day following final enactment, and applies retroactively to persons who elected a transfer under Laws 1990, chapter 570, article 3, section 11. The amount to be transferred is the employer contribution described in that section, plus annual interest compounded annually at a rate of six percent until the date of transfer.

### ARTICLE 3

#### SUPPLEMENTAL RETIREMENT PLAN

Section 1. Minnesota Statutes 1992, section 356.24, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTION; EXCEPTIONS.] (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~~ 354B.05;
- (3) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;
- (4) for employees other than personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to:

(i) the state of Minnesota deferred compensation plan under section 352.96; or

(ii) payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; 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; or

(5) for personnel employed by the state university board or the community college board and covered by sections 352D.02, subdivision 1a and 354B.07, subdivision 1, to the supplemental retirement plan under sections 354B.07 to 354B.09, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered 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 for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment shall retain actuarial services to assist it in this determination. The state board of investment shall establish a budget for its costs in the determination process and shall charge a proportional share of that budget to each insurance company selected by the state board of investment. All contracts must be approved before execution by the state board of investment. The state board of investment shall establish policies and procedures under section 11A.04, clause (2), to carry out this paragraph.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1993.

#### ARTICLE 4

#### MARRIAGE DISSOLUTIONS

Section 1. Minnesota Statutes 1992, section 518.58, subdivision 4, is amended to read:

Subd. 4. [PENSION PLANS.] (a) The division of marital property that represents pension plan benefits or rights in the form of future pension plan payments:

(1) is payable only to the extent of the amount of the pension plan benefit payable under the terms of the plan;

(2) is not payable for a period that exceeds the time that pension plan benefits are payable to the pension plan benefit recipient;

(3) is not payable in a lump sum amount from pension plan assets attributable in any fashion to a spouse with the status of an active member, deferred retiree, or benefit recipient of a pension plan;

(4) if the former spouse to whom the payments are to be made dies prior to the end of the specified payment period with the right to any remaining payments accruing to an estate or to more than one survivor, is payable only to a trustee on behalf of the estate or the group of survivors for subsequent apportionment by the trustee; and

(5) in the case of public pension plan benefits or rights, may not commence until the public plan member submits a valid application for a public pension plan benefit and the benefit becomes payable.

(b) The individual retirement account plans established under chapter 354B may provide in its plan document, if published and made generally available, for an alternative marital property division or distribution of individual retirement account plan assets. If an alternative division or distribution procedure is provided, it applies in place of paragraph (a), clause (5).

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1993.

## ARTICLE 5

## MISCELLANEOUS PROVISIONS

Section 1. Laws 1990, chapter 570, article 10, section 7, is amended to read:

Sec. 7. [EFFECTIVE DATE.]

Sections 1 ~~to~~, 3, 4, 5, and 6 are effective the day following final enactment. Section 2 is effective June 30, 1989.

Sec. 2. [COVERAGE ELECTION.]

Individuals covered by Minnesota Statutes, section 354.05, subdivision 2a, and meeting the requirements of Minnesota Statutes, section 352.021, subdivision 5, who were employed by the state university or community college system after June 30, 1989, and before May 9, 1990, may elect coverage in the general state employee retirement plan. Election of coverage must be made before October 1, 1993, on a form approved by the director of the Minnesota state retirement system. For an individual electing coverage in the general state employees retirement plan under this section, the value of the individual's account in the individual retirement account plan under Minnesota Statutes, chapter 354B, will be transferred to the retirement fund for the general state employees retirement plan within 30 days of the election, and the individual will receive allowable service credit in the general state employees plan for the period during which the individual was a member of the individual retirement account plan.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1993."

Delete the title and insert:

"A bill for an act relating to retirement; retirement coverage for state university and community college personnel; providing coverage for unclassified managerial employees in temporary, acting, or interim positions; providing default plan for employee selection; adding conforming language to clarify eligibility between plans; relating to the individual retirement account plan; increasing the employer contribution rate; providing for repayment of missed contributions; providing for administrative expenses; providing for contributions during period of sabbatical leave; permitting certain coverage transfers; relating to the supplemental retirement plan; providing conforming language for previous oversight of eligible members; relating to marriage dissolutions; providing alternate method of retirement asset distribution for individual retirement account plan; providing alternative coverage for certain state university and community college personnel; amending Minnesota Statutes 1992, sections 352D.02, subdivisions 1 and 1a; 354B.01, by adding a subdivision; 354B.02, subdivisions 1, 3a, and by adding a subdivision; 354B.04, subdivisions 1 and 2, and by adding a subdivision; 354B.05, by adding a subdivision; 356.24, subdivision 1; and 518.58, subdivision 4; and Laws 1990, chapter 570, articles 3, section 11, and 10, section 7; proposing coding for new law in Minnesota Statutes, chapter 354B; repealing Minnesota Statutes 1992, section 354B.02, subdivision 3."

The motion prevailed and the amendment was adopted.

S. F. No. 162, A bill for an act relating to retirement; increasing the individual retirement account plans employer contribution rate; amending Minnesota Statutes 1992, section 354B.04, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 354B.

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	Dauner	Haukoos	Koppendraye	Mosel	Perlt	Sviggun
Anderson, I.	Davids	Hausman	Krinkie	Munger	Peterson	Swenson
Anderson, R.	Dawkins	Holsten	Krueger	Murphy	Pugh	Tomassoni
Asch	Dehler	Hugoson	Lasley	Neary	Reding	Tompkins
Battaglia	Delmont	Huntley	Leppik	Nelson	Rest	Trimble
Bauerly	Dempsey	Jacobs	Lieder	Ness	Rhodes	Tunheim
Beard	Dorn	Jaros	Limmer	Olson, E.	Rice	Van Dellen
Bergson	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bertram	Evans	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Farrell	Johnson, A.	Luther	Onnen	Sarna	Wagenius
Bishop	Frerichs	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Girard	Kahn	Mahon	Orfield	Simoneau	Wejcmán
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Carlson	Greenfield	Kelley	McCollum	Ostrom	Smith	Winter
Carruthers	Greiling	Kelso	McGuire	Ozment	Solberg	Wolf
Clark	Gruenes	Kinkel	Milbert	Pauly	Sparby	Worke
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Workman
Cooper	Hasskamp	Krickerbocker	Morrison	Pelowski	Steensma	Spk. Long

The bill was passed, as amended, and its title agreed to.

H. F. No. 986 was reported to the House.

Kelley moved that H. F. No. 986 be continued on Special Orders. The motion prevailed.

S. F. No. 141, A bill for an act relating to uniform acts; enacting Minnesota Common Interest Ownership Act; amending Minnesota Statutes 1992, sections 308A.011, subdivision 1; 500.20, subdivision 2a; 508.71, by adding a subdivision; and 541.023, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 515B.

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	Dauner	Haukoos	Koppendraye	Mosel	Peterson	Swenson
Anderson, I.	Davids	Hausman	Krinkie	Munger	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Krueger	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Lasley	Nelson	Rest	Trimble
Battaglia	Delmont	Huntley	Leppik	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Lieder	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Limmer	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Lourey	Onnen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Macklin	Orfield	Simoneau	Wejcmán
Brown, C.	Girard	Kahn	Mahon	Osthoff	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	Mariani	Ostrom	Smith	Winter
Carlson	Greenfield	Kelley	McCollum	Ozment	Solberg	Wolf
Carruthers	Greiling	Kelso	McGuire	Pauly	Sparby	Worke
Clark	Gruenes	Kinkel	Milbert	Pawlenty	Stanius	Workman
Commers	Gutknecht	Klinzing	Molnau	Pelowski	Steensma	Spk. Long
Cooper	Hasskamp	Krickerbocker	Morrison	Perlt	Sviggun	

The bill was passed and its title agreed to.

S. F. No. 567, A bill for an act relating to elections; changing registration, filing, boundary change, ballot preparation, canvassing, system testing, and notice requirements and procedures; changing certain duties of election officials; clarifying certain language; adding to reimbursable expenses; amending Minnesota Statutes 1992, sections 201.071, subdivision 1; 201.081; 201.11; 201.13, subdivision 2, and by adding a subdivision; 201.15; 204B.06, subdivisions 4 and 6; 204B.14, subdivision 4; 204B.16, by adding a subdivision; 204B.46; 204C.06, subdivision 1; 204C.31, subdivision 2; 204C.32; 204D.04, subdivision 2; 204D.11, subdivisions 2, 3, and 6; 204D.24, subdivision 2; 204D.27, subdivision 11; 206.83; 206.90, subdivision 6; 207A.02, subdivision 1; 207A.10, subdivision 2; 211B.11, subdivision 1; 211B.14; and 365.51, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum
Anderson, I.	Davids	Hausman	Krinkie	Munger	Peterson	Swenson
Anderson, R.	Dawkins	Holsten	Krueger	Murphy	Pugh	Tomassoni
Asch	Dehler	Hugoson	Lasley	Neary	Reding	Tompkins
Battaglia	Delmont	Huntley	Leppik	Nelson	Rest	Trimble
Bauerly	Dempsey	Jacobs	Lieder	Ness	Rhodes	Tunheim
Beard	Dorn	Jaros	Limmer	Olson, E.	Rice	Van Dellen
Bergson	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bertram	Evans	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Farrell	Johnson, A.	Luther	Ornen	Sarna	Wagenius
Bishop	Frerichs	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Girard	Kahn	Mahon	Orfield	Simoneau	Wejzman
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Carlson	Greenfield	Kelley	McCollum	Ostrom	Smith	Winter
Carruthers	Greiling	Kelso	McGuire	Ozment	Solberg	Wolf
Clark	Gruenes	Kinkel	Milbert	Pauly	Sparby	Worke
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Workman
Cooper	Haskamp	Knickerbocker	Morrison	Pelowski	Steensma	Spk. Long

The bill was passed and its title agreed to.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today:

S. F. Nos. 64 and 1437; H. F. Nos. 490 and 570; S. F. No. 1129; H. F. No. 1253; S. F. Nos. 1290, 1171, 663 and 693; H. F. No. 1658; and S. F. Nos. 409, 264, 832, 419, 782 and 1000.

#### SPECIAL ORDERS, Continued

Anderson, I., moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

#### GENERAL ORDERS

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1042, A bill for an act relating to human services; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 136A.121, subdivision 2; 214.101, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 257.66, subdivision 3; 257.67, subdivision 3; 349A.08, subdivision 8; 518.14; 518.171, subdivisions 1, 2, 3, 4, 6, 7, 8, 10, and by adding a subdivision; 518.24; 518.54, subdivision 4; 518.551, subdivisions 1, 5, 5b, 7, 10, 12, and by adding a subdivision; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivision 4; 518.613, subdivision 1; 518.64, subdivisions 1, 2, 5, and 6; 519.11; 548.09, subdivision 1; 548.091, subdivisions 1a and 3a; 588.20; 595.02, subdivision 1; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; and 518; repealing Minnesota Statutes 1992, sections 256.979; and 609.37.

PATRICK E. FLAHAVEN, Secretary of the Senate

Farrell moved that the House refuse to concur in the Senate amendments to H. F. No. 1042, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 514, A bill for an act relating to the environment; providing for passive bioremediation; providing for review of agency employee decisions; increasing membership of petroleum tank release compensation board; establishing a fee schedule of costs or criteria for evaluating reasonableness of costs submitted for reimbursement; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing board to delegate its reimbursement powers and duties to the commissioner of commerce; requiring a report; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 115C.02, subdivisions 10 and 14; 115C.03, by adding subdivisions; 115C.07, subdivisions 1, 2, and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, 3c, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sparby moved that the House refuse to concur in the Senate amendments to H. F. No. 514, 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.

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 238:

Molnau, Cooper and Brown, C.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1042:

Farrell, Bishop and Pugh.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1063:

Trimble, Peterson and Brown, K.

## MOTIONS AND RESOLUTIONS

Bertram moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, May 7, 1993, when the vote was taken on the repassage of H. F. No. 1735, as amended by Conference." The motion prevailed.

Farrell moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Friday, May 7, 1993, when the vote was taken on the Hugoson amendment to S. F. No. 697." The motion prevailed.

Sparby moved that H. F. No. 970 be returned to its author. The motion prevailed.

Kahn moved that S. F. No. 409, now on Special Orders, be returned to General Orders. The motion prevailed.

## ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Thursday, May 13, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Thursday, May 13, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 13, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Representative James I. Rice, District 58A, Minneapolis, Minnesota.

The roll was called and the following members were present:

Abrams	Dauner	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, I.	Davids	Holsten	Lasley	Neary	Reding	Tompkins
Anderson, R.	Dawkins	Hugoson	Leppik	Nelson	Rest	Trimble
Asch	Dehler	Huntley	Lieder	Ness	Rhodes	Tunheim
Battaglia	Delmont	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Bauerly	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bergson	Evans	Jennings	Luther	Onnen	Sarna	Wagenius
Bertram	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bishop	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcman
Blatz	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, C.	Goodno	Kalis	McCollum	Ostrom	Smith	Wenzel
Brown, K.	Greenfield	Kelley	McGuire	Ozment	Solberg	Winter
Carlson	Greiling	Kelso	Milbert	Pauly	Sparby	Wolf
Carruthers	Gruenes	Kinkel	Molnau	Pawlenty	Stanius	Worke
Clark	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Workman
Commers	Hasskamp	Koppendrayner	Mosel	Perit	Sviggum	Spk. Long
Cooper	Haukoos	Krinkie	Munger	Peterson	Swenson	

A quorum was present.

Dempsey and Knickerbocker were excused until 9:50 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Olson, K., moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

S. F. No. 566 and H. F. No. 490, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Johnson, R., moved that S. F. No. 566 be substituted for H. F. No. 490 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 580 and H. F. No. 761, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 580 be substituted for H. F. No. 761 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 811 and H. F. No. 1125, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Mahon moved that the rules be so far suspended that S. F. No. 811 be substituted for H. F. No. 1125 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 880 and H. F. No. 1106, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Wagenius moved that the rules be so far suspended that S. F. No. 880 be substituted for H. F. No. 1106 and that the House File be indefinitely postponed. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 10, 1993

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1228, relating to retirement; public employees retirement association and Minneapolis employees retirement fund; providing for the retention of pension coverage for certain transferred employees.

H. F. No. 270, relating to the city of St. Paul; authorizing payment of refunds to the estates of certain deceased firefighters.

H. F. No. 430, relating to human services; requiring the departments of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

H. F. No. 113, relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles.

H. F. No. 9, relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains.

H. F. No. 969, relating to transportation; changing requirement for town road account distributions; defining exempt carriers to include certain tow trucks; adopting federal motor carrier safety regulations; allowing small motor carriers to file abbreviated annual reports; providing for registration of interstate motor carriers; defining terms; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on shipping documents and other motor carrier records; making technical changes; imposing penalties.

H. F. No. 1420, relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institutionalized persons.

H. F. No. 1720, relating to metropolitan government; requiring one member of the metropolitan transit commission to be disabled user of transit system.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1993</i>	<i>Date Filed 1993</i>
	1228	109	2:59 p.m. May 10	May 10
	270	110	3:12 p.m. May 10	May 10
50		111	2:57 p.m. May 10	May 10
485		112	2:57 p.m. May 10	May 10
848		113	2:58 p.m. May 10	May 10
	430	114	2:59 p.m. May 10	May 10
	113	115	2:58 p.m. May 10	May 10
	9	116	2:58 p.m. May 10	May 10
	969	117	3:08 p.m. May 10	May 10
	1420	118	3:00 p.m. May 10	May 10
	1720	119	3:02 p.m. May 10	May 10

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 20, memorializing the United States Secretary of Agriculture to establish higher price supports for grain commodities.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 157, relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

H. F. No. 134, relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring health professionals to report occurrences of adverse reactions resulting from optometrist's prescription of topical legend drugs; requiring reports; modifying the definition of practice of medicine.

H. F. No. 1199, relating to state government; the legislative commission on employee relations; raising the top of a salary range for a judicial position; modifying provisions relating to certain plans; ratifying certain salaries and a bargaining agreement.

H. F. No. 385, relating to agriculture; providing a time limit for certain actions related to right of first refusal.

H. F. No. 785, relating to retirement; survivor benefits payable by the Minneapolis police relief association.

H. F. No. 807, relating to retirement; the Minneapolis fire department relief association; setting service pension rates.

H. F. No. 1442, relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; permitting a contribution with interest by a member for past service with the city.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1993</i>	<i>Date Filed 1993</i>
	20	Resolution No. 3	6:04 p.m. May 11	May 12
	157	120	5:45 p.m. May 11	May 12
	134	121	5:47 p.m. May 11	May 12
	1199	122	5:48 p.m. May 11	May 12
	385	123	5:50 p.m. May 11	May 12
	785	124	5:55 p.m. May 11	May 12
	807	125	5:57 p.m. May 11	May 12
	1442	126	6:02 p.m. May 11	May 12

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

**SECOND READING OF SENATE BILLS**

S. F. Nos. 566, 580, 811 and 880 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jaros; Huntley; Greiling; Brown, K., and Rukavina introduced:

H. F. No. 1772, A bill for an act relating to state agencies and appropriate local governmental units to make sure that no person in Minnesota will be homeless, hungry, or without medical care.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Rukavina introduced:

H. F. No. 1773, A bill for an act relating to taxation; authorizing the study of reform of the state's tax structure based upon a gross worth tax system.

The bill was read for the first time and referred to the Committee on Taxes.

Frerichs and Davids introduced:

H. F. No. 1774, A resolution memorializing Indian tribal casinos in Minnesota to compete fairly with Minnesota's private sector hospitality industry.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Rukavina, Sarna, Bishop and Jaros introduced:

H. F. No. 1775, A bill for an act relating to insurance; automobile; regulating auto glass repair practices; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 65B.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Olson, M.; Long; Carruthers; Vellenga and Pugh introduced:

H. F. No. 1776, A resolution memorializing the President and Congress to enact the Children's Violence Protection Act of 1993.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius, Limmer, Smith, Holsten and Johnson, V., introduced:

H. F. No. 1777, A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting certain contributions; changing the judicial ballot; regulating related committees; changing expenditure limits; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; changing requirements for the income tax check-off; clarifying filing requirements for candidate agreements and the duration of the agreements; providing for distribution of public subsidies; requiring return of public subsidies under certain conditions; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring certain

reports; providing transition language; defining certain terms; clarifying certain language; imposing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10b, 10c, 13, and by adding subdivisions; 10A.04, by adding a subdivision; 10A.065, subdivisions 1 and 5; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.16; 10A.17, subdivisions 4 and 5; 10A.19, subdivision 1; 10A.20, subdivisions 2, 3, and by adding subdivisions; 10A.24, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.28, subdivision 2; 10A.31, subdivisions 3a, 6, 7, 10, and by adding a subdivision; 10A.315; 10A.322, subdivisions 1 and 2; 10A.323; 10A.324, subdivisions 1, 3, and by adding a subdivision; 204B.36, subdivision 4; 211B.12; 211B.15; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 211A; repealing Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Onnen; Simoneau; Anderson, R.; Lindner and Brown, K., introduced:

H. A. No. 23, A proposal to study the veterans homes.

The advisory was referred to the Committee on Health and Human Services.

Murphy, Rodosovich, Rukavina and Winter introduced:

H. A. No. 24, A proposal to study homestead property tax relief for senior citizens of low to moderate incomes.

The advisory was referred to the Committee on Taxes.

Cooper, Peterson, Klinzing, Ness and Brown, C., introduced:

H. A. No. 25, A proposal to study the role of regional development commissions in assisting local units of government.

The advisory was referred to the Committee on Local Government and Metropolitan Affairs.

Jacobs introduced:

H. A. No. 26, A proposal for studying nontraditional ratemaking concepts and federal regulatory changes affecting utilities.

The advisory was referred to the Committee on Regulated Industries and Energy.

Opatz, Sarna, Asch, Commers and Farrell introduced:

H. A. No. 27, A proposal to study mandatory malpractice insurance.

The advisory was referred to the Committee on Commerce and Economic Development.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1450, A bill for an act relating to game and fish; authorizing expenditure of RIM funds for restoration of fish and wildlife habitat; directing a report on plantings of native trees and shrubs; amending Minnesota Statutes 1992, section 84.95, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Trimble moved that the House concur in the Senate amendments to H. F. No. 1450 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1450, A bill for an act relating to game and fish; authorizing expenditure of RIM funds for restoration of fish and wildlife habitat; amending Minnesota Statutes 1992, section 84.95, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Haukoos	Koppendraye	Morrison	Peterson	Swenson
Anderson, I.	Dauner	Hausman	Krinkie	Mosel	Pugh	Tomassoni
Anderson, R.	Dauids	Holsten	Krueger	Munger	Reding	Tompkins
Asch	Dawkins	Hugoson	Lasley	Murphy	Rest	Trimble
Battaglia	Dehler	Huntley	Leppik	Neary	Rhodes	Tunheim
Bauerly	Delmont	Jacobs	Lieder	Nelson	Rice	Van Dellen
Beard	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Lourey	Ornen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mackdin	Orfield	Simoneau	Wejzman
Brown, C.	Girard	Kahn	Mahon	Ostrom	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	Mariani	Ozment	Smith	Winter
Carlson	Greiling	Kelley	McCollum	Pauly	Solberg	Wolf
Carruthers	Gruenes	Kelso	McGuire	Pawlenty	Stanius	Worke
Clark	Gutknecht	Kinkel	Milbert	Pelowski	Steensma	Workman
Commers	Hasskamp	Klinzing	Molnau	Perlt	Sviggum	Spk. Long

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 50, A bill for an act relating to agriculture; changing the apiary laws; reducing an appropriation; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.52, subdivision 1; 19.55; 19.56; 19.58, subdivisions 1, 2, and 4; 19.59; 19.64, subdivisions 1 and 4a; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Cooper moved that the House concur in the Senate amendments to H. F. No. 50 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 50, A bill for an act relating to agriculture; changing the apiary laws; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.52, subdivision 1; 19.55; 19.56; 19.58, subdivisions 1, 2, and 4; 19.59; 19.64, subdivisions 1 and 4a; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Holsten	Lasley	Neary	Rhodes	Tunheim
Anderson, I.	Dauids	Hugoson	Leppik	Nelson	Rice	Van Dellen
Anderson, R.	Dawkins	Huntley	Lieder	Olson, E.	Rodosovich	Vellenga
Asch	Dehler	Jacobs	Limmer	Olson, M.	Rukavina	Vickerman
Battaglia	Delmont	Jaros	Lindner	Ornen	Sarna	Wagenius
Bauerly	Dorn	Jefferson	Lourey	Opatz	Seagren	Waltman
Beard	Erhardt	Jennings	Luther	Orenstein	Sekhon	Weaver
Bergson	Evans	Johnson, A.	Lynch	Orfield	Simoneau	Wejman
Bertram	Farrell	Johnson, R.	Macklin	Osthoff	Skoglund	Wenzel
Bettermann	Frerichs	Johnson, V.	Mahon	Ostrom	Smith	Winter
Bishop	Garcia	Kahn	Mariani	Ozment	Solberg	Wolf
Blatz	Girard	Kalis	McCollum	Pauly	Spurby	Worke
Brown, C.	Goodno	Kelley	McGuire	Pawlenty	Stanius	Workman
Brown, K.	Greiling	Kelso	Milbert	Felowski	Steensma	Spk. Long
Carlson	Gruenes	Kinkel	Molnau	Perlt	Swiggum	
Carruthers	Gutknecht	Klinging	Morrison	Peterson	Swenson	
Clark	Hasskamp	Koppendrayner	Mosel	Pugh	Tomassoni	
Commers	Haukoos	Krinking	Munger	Reding	Tompkins	
Cooper	Hausman	Krueger	Murphy	Rest	Trimble	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 671, A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; amending Minnesota Statutes 1992, section 473.523, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

PATRICK E. FLAHAVER, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Orfield moved that the House concur in the Senate amendments to H. F. No. 671 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 671, A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; proposing coding for new law in Minnesota Statutes, chapter 473.

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 82 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Jacobs	Lasley	Neary	Reding	Tomassoni
Anderson, R.	Dauner	Jaros	Lieder	Nelson	Rest	Trimble
Battaglia	Dawkins	Jefferson	Lourey	Olson, E.	Rhodes	Tunheim
Bauerly	Delmont	Jennings	Luther	Olson, K.	Rice	Vellenga
Beard	Dom	Johnson, A.	Mahon	Opatz	Rukavina	Wagenius
Bergson	Evans	Johnson, R.	Mariani	Orenstein	Sarna	Wejzman
Bertram	Farrell	Kahn	McCollum	Orfield	Sekhon	Welle
Brown, C.	Garcia	Kalis	McGuire	Ostrom	Simoneau	Wenzel
Brown, K.	Greiling	Kelley	Milbert	Ozment	Skoglund	Winter
Carlson	Hasskamp	Kinkel	Mosel	Pelowski	Solberg	Spk. Long
Carruthers	Hausman	Klinzing	Munger	Peterson	Sparby	
Clark	Huntley	Krueger	Murphy	Pugh	Steensma	

Those who voted in the negative were:

Abrams	Dehler	Haukoos	Leppik	Ness	Seagren	Vickerman
Asch	Erhardt	Holsten	Limmer	Olson, M.	Smith	Waltman
Bettermann	Frerichs	Hugóson	Lindner	Ornen	Stanius	Weaver
Bishop	Girard	Johnson, V.	Lynch	Pauly	Sviggum	Wolf
Blatz	Goodno	Kelso	Macklin	Pawlenty	Swenson	Worke
Commers	Gruenes	Koppendrayner	Molnau	Perlt	Tompkins	Workman
Davids	Gutknecht	Krinkie	Morrison	Rodosovich	Van Dellen	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 948, A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; prohibiting unlicensed persons from obtaining building permits; establishing a contractor's recovery fund; appropriating money; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; and 326.94, subdivision 1.

PATRICK E. FLAHAVERN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Bauerly moved that the House concur in the Senate amendments to H. F. No. 948 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 948, A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; appropriating money; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, section 326.84, 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 101 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jaros	Lieder	Neary	Rice	Tunheim
Anderson, I.	Dehler	Jefferson	Limmer	Olson, E.	Rodosovich	Van Dellen
Asch	Delmont	Jennings	Lourey	Opatz	Rukavina	Vellenga
Battaglia	Dorn	Johnson, A.	Luther	Orenstein	Sarna	Wagenius
Bauerly	Erhardt	Johnson, R.	Lynch	Orfield	Seagren	Weaver
Beard	Evans	Johnson, V.	Macklin	Osthoff	Sekhon	Wejzman
Bergson	Farrell	Kahn	Mahon	Ostrom	Simoneau	Welle
Bertram	Garcia	Kalis	Mariani	Ozment	Skoglund	Wenzel
Bishop	Greiling	Kelley	McCollum	Pauly	Smith	Winter
Blatz	Gruenes	Kelso	McGuire	Pelowski	Solberg	Workman
Brown, C.	Gutknecht	Kinkel	Milbert	Perlt	Sparby	Spk. Long
Brown, K.	Hausman	Klinzing	Morrison	Pugh	Stanius	
Carlson	Holsten	Koppendrayer	Mosel	Reding	Steensma	
Carruthers	Huntley	Krueger	Munger	Rest	Tomassoni	
Clark	Jacobs	Lasley	Murphy	Rhodes	Trimble	

Those who voted in the negative were:

Anderson, R.	Dauner	Goodno	Krinkie	Ness	Peterson	Vickerman
Bettermann	Dauids	Hasskamp	Lindner	Olson, M.	Sviggum	Waltman
Commers	Frerichs	Haukoos	Molnau	Onnen	Swenson	Wolf
Cooper	Girard	Hugoson	Nelson	Pawlenty	Tompkins	Worke

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 199, A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

PATRICK E. FLAHAVER, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Winter moved that the House concur in the Senate amendments to H. F. No. 199 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 199, A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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 102 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Jefferson	Lourey	Olson, E.	Rest	Tomassoni
Anderson, R.	Dauner	Jennings	Luther	Olson, K.	Rhodes	Trimble
Asch	Dawkins	Johnson, A.	Lynch	Opatz	Rice	Tunheim
Battaglia	Delmont	Johnson, R.	Macklin	Orenstein	Rodosovich	Vellenga
Bauerly	Dorn	Johnson, V.	Mahon	Orfield	Rukavina	Wagenius
Beard	Erhardt	Kahn	Mariani	Osthoff	Sarna	Weaver
Bergson	Evans	Kalis	McCollum	Ostrom	Seagren	Wejman
Bertram	Farrell	Kelley	McGuire	Ozment	Sekhon	Wenzel
Bishop	Garcia	Kelso	Milbert	Pauly	Simoneau	Winter
Brown, C.	Greiling	Kinkel	Mosel	Pawlenty	Skoglund	Wolf
Brown, K.	Hasskamp	Klinzing	Munger	Pelowski	Solberg	Workman
Carlson	Hausman	Krueger	Murphy	Perlt	Sparby	Spk. Long
Carruthers	Huntley	Lasley	Neary	Peterson	Steensma	
Clark	Jacobs	Leppik	Nelson	Pugh	Sviggum	
Commers	Jaros	Lieder	Ness	Reding	Swenson	

Those who voted in the negative were:

Abrams	Dehler	Gruenes	Hugoson	Lindner	Onnen	Van Dellen
Bettermann	Frerichs	Gutknecht	Koppendrayner	Molnau	Smith	Vickerman
Blatz	Girard	Haukoos	Krinkie	Morrison	Stanius	Waltman
Dauids	Goodno	Holsten	Limmer	Olson, M.	Tompkins	Worke

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1062.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1062, A bill for an act relating to metropolitan government and urban planning; establishing a metropolitan radio systems planning committee under the metropolitan council.

The bill was read for the first time.

Kelley moved that S. F. No. 1062 and H. F. No. 986, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following Conference Committee Reports were received:

### CONFERENCE COMMITTEE REPORT ON H. F. NO. 350

A bill for an act relating to education; prekindergarten through grade 12; providing for general education; transportation; special programs; early childhood, community, and adult education; facilities; organization and cooperation; access to excellence; other education programs; miscellaneous provisions; choice programs; libraries; state agencies; and realignment of responsibilities; making conforming changes; appropriating money; amending Minnesota Statutes 1992, sections 3.873, subdivisions 4, 5, 6, 7, and 9; 120.06, subdivision 3; 120.062, subdivision 5, and by adding a subdivision; 120.0621; 120.064, subdivisions 3, 4, and 16; 120.0751, subdivisions 1, 2, 3, and 4; 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 120.17, subdivision 7a; 120.73, subdivision 1; 120.75; 121.15, subdivision 4; 121.16, subdivision 1; 121.201, subdivision 1; 121.585, subdivision 8; 121.612, subdivisions 2 and 4; 121.831; 121.88, subdivision 8; 121.882, subdivision 2b; 121.901, subdivisions 1 and 2; 121.902; 121.904, subdivisions 4a, 4e, and 14; 121.912, subdivision 6, and by adding a subdivision; 121.9121; 121.914, subdivision 3; 121.934, subdivision 1; 121.935, subdivisions 2 and 5; 121.936; 122.22, by adding a subdivision; 122.242, subdivision 9; 122.531, subdivision 4a; 122.895, subdivision 2, and by adding subdivisions; 123.34, subdivision 9; 123.35, subdivision 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 5, 6, 6b, 6c, and 8; 123.36, by adding a subdivision; 123.39, by adding a subdivision; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, and 4; 123.7045; 123.71, subdivision 1; 123.932, subdivision 7; 123.935, subdivision 7; 123.947; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1 and 4; 124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 1 and 4; 124.195, subdivisions 8 and 9; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, and 7e; 124.226, subdivisions 1, 3, 9, and by adding a subdivision; 124.243, subdivisions 1, 2, 2a, 6, and 8; 124.248, subdivision 4; 124.26, subdivision 2; 124.2601, subdivisions 4 and 6; 124.261, subdivision 1; 124.2615, subdivisions 2 and 3; 124.2711, subdivision 1; 124.2714; 124.2721, subdivisions 1 and 3; 124.2725, subdivisions 2, 4, 5, 6, 10, and 13; 124.273, by adding a subdivision; 124.276, subdivision 3; 124.32, subdivision 1d; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.332, subdivision 2; 124.37; 124.38, by adding a subdivision; 124.431, subdivisions 1, 1a, 2, and 14; 124.48, subdivisions 1 and 3; 124.494, subdivisions 1, 2, and by adding a subdivision; 124.573, subdivision 3; 124.574, by adding a subdivision; 124.625; 124.64; 124.645, subdivisions 1 and 2; 124.69, subdivision 1; 124.73, subdivision 1; 124.79; 124.83, subdivisions 1, 2, 4, 6, and by adding a subdivision; 124.84, subdivision 3; 124.91, subdivision 3; 124.912, subdivisions 2 and 3; 124.95, subdivisions 1, 2, 2a, and 3; 124.961; 124A.03, subdivision 1c, and by adding a subdivision; 124A.22, subdivisions 2, 4, 5, 6, 8, and 9; 124A.23, subdivision 1; 124A.26, subdivision 1, and by adding a subdivision; 124A.27, subdivision 2; 124A.29, subdivision 1; 124A.70; 124A.72; 124C.08, subdivision 1; 125.05, subdivision 1a; 125.185, subdivisions 4 and 6; 125.1885, subdivision 3; 125.189; 126.151, subdivision 2; 126.22, subdivisions 2, 3, 3a, and 4; 126.239, subdivision 3; 126.267; 126.268, subdivision 2; 126.52, subdivisions 8 and 9; 126.54, subdivision 1; 126.56, subdivisions 4a and 7; 126.665; 126.67, subdivision 8; 126.70, subdivision 2a; 126A.07, subdivision 1; 127.15; 127.455; 127.46; 128A.024, subdivision 2; 128A.03, subdivision 2; 128C.02, by adding a subdivision; 129C.10, subdivision 1, and by adding a subdivision; 134.31, subdivisions 1, 2, and 5; 134.32, subdivision 8; 145A.10, subdivision 5; 256E.03, by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivision 2, and by adding a subdivision; 275.48; 473F.02, by adding a subdivision; and 475.61, subdivision 3; Laws 1991, chapters 256, article 8, section 14, as amended; 265, articles 1, section 30; and 2, section 19, subdivision 2; and Laws 1992, chapters 499, article 8, section 33; 571, article 10, section 29; proposing coding for new law in Minnesota Statutes, chapters 4; 121; 124; 124A; 124C; 125; 126; 128A; repealing Minnesota Statutes 1992, sections 120.0621, subdivision 5; 121.87; 124.197; 124.2721, subdivisions 2 and 4; 124.32, subdivision 5; 124.615; 124.62; 125.703; 126.22, subdivision 2a; 145.926; and Laws 1988, chapter 486, section 59.

May 12, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 350, 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. 350 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL EDUCATION REVENUE

Section 1. Minnesota Statutes 1992, section 121.904, subdivision 4a, is amended to read:

Subd. 4a. [LEVY RECOGNITION.] (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to sections 124.2721, subdivision 3; 124.575, subdivision 3; and 124.914, subdivision 1; and Laws 1976, chapter 20, section 4.

(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the May, June, and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, which are for the fiscal year payable in that fiscal year plus an amount equal to the levy recognized as revenue in June of the prior year plus 50.0 percent of the amount of the levy certified in the prior calendar year according to section 124A.03, subdivision 2, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or

(3) 50.0 percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the reserved fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 124.914, subdivision 1, and Laws 1976, chapter 20, section 4; and

(iii) retirement and severance pay pursuant to sections 122.531, subdivision 9, 124.2725, subdivision 15, 124.4945, 124.912, subdivision 1, and 124.916, subdivision 3, 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, and amounts levied pursuant to section 136C.411; and

(v) amounts levied under section 124.755.

(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 2. Minnesota Statutes 1992, section 124.17, subdivision 1, is amended to read:

Subdivision 1. [PUPIL UNIT.] Pupil units for each resident pupil in average daily membership shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled for the entire fiscal year in a program approved by the commissioner and has an individual education plan that requires up to 437 hours of assessment and education services in the fiscal year is counted as one-half of a pupil unit. If the plan requires more than 437 hours of assessment and education services, the pupil is counted as the ratio of the number of hours of assessment and education service to 875, but not more than one.

(b) A prekindergarten pupil with a disability who is enrolled for less than the entire fiscal year in a program approved by the commissioner is counted as the greater of:

(1) one-half times the ratio of the number of instructional days from the date the pupil is enrolled to the date the pupil withdraws to the number of instructional days in the school year; or

(2) the ratio of the number of hours of assessment and education service required in the fiscal year by the pupil's individual education program plan to 875, but not more than one.

(c) A prekindergarten pupil who is assessed but determined not to be handicapped is counted as the ratio of the number of hours of assessment service to 875.

(d) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individual education program plan to 875, but not more than one.

(e) A kindergarten pupil who is not included in paragraph (d) is counted as one-half of a pupil unit.

(f) A pupil who is in any of grades 1 to 6 is counted as ~~one pupil unit~~ 1.03 pupil unit for fiscal year 1994 and 1.06 pupil unit for fiscal year 1995 and thereafter.

(g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

Sec. 3. Minnesota Statutes 1992, section 124.19, subdivision 4, is amended to read:

Subd. 4. In a school where the number of instructional hours in the school day is greater than the number of instructional hours prescribed in the rules of the state board for the school day, the excess number of instructional hours for those days may be included in calculating the required number of days school is in session for purposes of fulfilling the requirements of subdivision 1, provided that ~~the school is in session for not less than 160 days during the school year, and provided that~~ no instructional hours are included from half-day sessions or any school day which has less instructional hours than the number of instructional hours prescribed in the rules of the state board unless the average number of instructional hours for all school days in the school year equals or exceeds the number of instructional hours prescribed in the rules of the state board. The district shall notify the department of each adjustment.

Sec. 4. Minnesota Statutes 1992, section 124.2131, subdivision 1, is amended to read:

Subdivision 1. [~~ADJUSTED GROSS TAX CAPACITY; ADJUSTED NET TAX CAPACITY.~~] (a) [COMPUTATION.] The department of revenue shall annually conduct an assessment/sales ratio study of the taxable property in each school district in accordance with the procedures in paragraphs (b) and (c). Based upon the results of this assessment/sales ratio study, the department of revenue shall determine ~~an aggregate equalized gross tax capacity and an aggregate equalized net tax capacity~~ for the various classes of taxable property in each school district, which tax capacity shall be designated as ~~the adjusted gross tax capacity and the adjusted net tax capacity, respectively. The adjusted net tax capacities shall be determined using the net tax capacity percentages in effect for the assessment year~~

following the assessment year of the study. The department of revenue shall make whatever estimates are necessary to account for changes in the classification system. The department of revenue may incur the expense necessary to make the determinations. The commissioner of revenue may reimburse any county or governmental official for requested services performed in ascertaining ~~the adjusted gross tax capacity and~~ the adjusted net tax capacity. On or before March 15 annually, the department of revenue shall file with the chair of the tax committee of the house of representatives and the chair of the committee on taxes and tax laws of the senate a report of ~~adjusted gross tax capacities and~~ adjusted net tax capacities. On or before ~~April 15~~ June 15 annually, the department of revenue shall file its final report on the ~~adjusted gross tax capacities and~~ adjusted net tax capacities established by the previous year's ~~assessment~~ assessments and the current year's net tax capacity percentages with the commissioner of education and each county auditor for those school districts for which the auditor has the responsibility for determination of local tax rates. A copy of the report so filed shall be mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which each district is located.

(b) [METHODOLOGY.] In making its annual assessment/sales ratio studies, the department of revenue shall use a methodology consistent with the most recent Standard on Assessment Ratio Studies published by the assessment standards committee of the International Association of Assessing Officers. The commissioner of revenue shall supplement this general methodology with specific procedures necessary for execution of the study in accordance with other Minnesota laws impacting the assessment/sales ratio study. The commissioner shall document these specific procedures in writing and shall publish the procedures in the State Register, but these procedures will not be considered "rules" pursuant to the Minnesota administrative procedure act. For purposes of this section, section 270.12, subdivision 2, clause (8), and section 278.05, subdivision 4, the commissioner of revenue shall exclude from the assessment/sales ratio study the sale of any nonagricultural property which does not contain an improvement, if (1) the statutory basis on which the property's taxable value as most recently assessed is less than market value as defined in section 273.11, or (2) the property has undergone significant physical change or a change of use since the most recent assessment.

(c) [AGRICULTURAL LANDS.] For purposes of determining the ~~adjusted gross tax capacity and~~ adjusted net tax capacity of agricultural lands for the calculation of ~~adjusted gross tax capacities and~~ adjusted net tax capacities, the market value of agricultural lands shall be the price for which the property would sell in an arms length transaction.

(d) [FORCED SALES.] The commissioner may include forced sales in the assessment/sales ratio studies if it is determined by the commissioner that these forced sales indicate true market value.

(e) [STIPULATED VALUES.] The estimated market value to be used in calculating sales ratios shall be the value established by the assessor before any stipulations resulting from appeals by property owners.

(f) [SALES OF INDUSTRIAL PROPERTY.] Separate sales ratios shall be calculated for commercial property and for industrial property. These two classes shall be combined only in jurisdictions in which there is not an adequate sample of sales in each class.

Sec. 5. Minnesota Statutes 1992, section 124.73, subdivision 1, is amended to read:

Subdivision 1. The board of any school district may borrow money upon negotiable tax anticipation certificates of indebtedness, in the manner and subject to the limitations set forth in sections 124.71 to 124.76, for the purpose of anticipating general taxes theretofore levied by the district for school purposes, but the aggregate of such borrowing under this subdivision shall never exceed ~~50~~ 75 percent of such taxes which are due and payable in the calendar year, and as to which taxes no penalty for nonpayment or delinquency has attached. In determining the amount of taxes due and payable in the calendar year, any amounts paid by the state to replace such taxes, whether paid in that calendar year or not, shall be included.

Sec. 6. [124.755] [STATE PAYMENT OF DEBT OBLIGATION UPON POTENTIAL DEFAULT; REPAYMENT; STATE OBLIGATION NOT DEBT.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the term "debt obligation" means either a tax or aid anticipation certificate of indebtedness or a general obligation bond.

Subd. 2. [NOTIFICATIONS; PAYMENT; APPROPRIATION.] (a) If a school district believes that it may be unable to make a principal or interest payment on any outstanding debt obligation on the date that payment is due, it must notify the commissioner of education of that fact as soon as possible, but not less than 15 working days before the date that principal or interest payment is due. The notice shall include the name of the school district, an identification of the debt obligation issue in question, the date the payment is due, the amount of principal and interest due on the payment date, the amount of principal or interest that the school district will be unable to repay on that date, the paying agent for the debt obligation, the wire transfer instructions to transfer funds to that paying agent, and an indication as to whether a payment is being requested by the district under this section. If a paying agent becomes aware of a potential default, it shall inform the commissioner of education of that fact. After receipt of a notice which requests a payment under this section, after consultation with the school district and the paying agent, and after verification of the accuracy of the information provided, the commissioner of education shall notify the commissioner of finance of the potential default.

(b) Except as provided in subdivision 9, upon receipt of this notice from the commissioner of education, which must include a final figure as to the amount due that the school district will be unable to repay on the date due, the commissioner of finance shall issue a warrant and authorize the commissioner of education to pay to the paying agent for the debt obligation the specified amount on or before the date due. The amounts needed for the purposes of this subdivision are annually appropriated to the department of education from the state general fund.

(c) The departments of education and finance shall jointly develop detailed procedures for school districts to notify the state that they have obligated themselves to be bound by the provisions of this section, procedures for school districts and paying agents to notify the state of potential defaults and to request state payment under this section, and procedures for the state to expedite payments to prevent defaults. The procedures are not subject to chapter 14.

Subd. 3. [SCHOOL DISTRICT BOUND; INTEREST RATE ON STATE PAID AMOUNT.] If, at the request of a school district, the state has paid part or all of the principal or interest due on a school district's debt obligation on a specific date, the school district is bound by all provisions of this section and the amount paid shall bear taxable interest from the date paid until the date of repayment at the state treasurer's invested cash rate as it is certified by the commissioner of finance. Interest shall only accrue on the amounts paid and outstanding less the reduction in aid under subdivision 4 and other payments received from the district.

Subd. 4. [PLEDGE OF DISTRICT'S FULL FAITH AND CREDIT.] If, at the request of a school district, the state has paid part or all of the principal or interest due on a school district's debt obligation on a specific date, the pledge of the full faith and credit and unlimited taxing powers of the school district to repay the principal and interest due on those debt obligations shall also, without an election or the requirement of a further authorization, become a pledge of the full faith and credit and unlimited taxing powers of the school district to repay to the state the amount paid, with interest. Amounts paid by the state shall be repaid in the order in which the state payments were made.

Subd. 5. [AID REDUCTION FOR REPAYMENT.] Except as provided in this subdivision, the state shall reduce the state aid payable to the school district under chapters 124, 124A, and 273, according to the schedule in section 124.155, subdivision 2, by the amount paid by the state under this section on behalf of the school district, plus the interest due on it, and the amount reduced shall revert from the appropriate account to the state general fund. Payments from the school endowment fund or any federal aid payments shall not be reduced. If, after review of the financial situation of the school district, the commissioner of education advises the commissioner of finance that a total reduction of the aids would cause an undue hardship on or an undue disruption of the educational program of the school district, the commissioner of education, with the approval of the commissioner of finance, may establish a different schedule for reduction of those aids to repay the state. The amount of aids to be reduced are decreased by any amounts repaid to the state by the school district from other revenue sources.

Subd. 6. [TAX LEVY FOR REPAYMENT.] (a) With the approval of the commissioner of education, a school district may levy in the year the state makes a payment under this section an amount up to the amount necessary to provide funds for the repayment of the amount paid by the state plus interest through the date of estimated repayment by the school district. The proceeds of this levy may be used only for this purpose unless they are in excess of the amount actually due, in which case the excess shall be used to repay other state payments made under this section or shall be deposited in the debt redemption fund of the school district. This levy shall be an increase in the levy limits of the school district for purposes of section 275.065, subdivision 6. The amount of aids to be reduced to repay the state shall be decreased by the amount levied. This levy by the school district is not eligible for debt service equalization under section 124.95.

(b) If the state is not repaid in full for a payment made under this section by November 30 of the calendar year following the year in which the state makes the payment, the commissioner of education must require the school district to certify a property tax levy in an amount up to the amount necessary to provide funds for repayment of the amount paid by the state plus interest through the date of estimated repayment by the school district. To prevent undue hardship, the commissioner may allow the district to certify the levy over a five-year period. The proceeds of the levy may be used only for this purpose unless they are in excess of the amount actually due, in which case the excess shall be used to repay other state payments made under this section or shall be deposited in the debt redemption fund of the school district. This levy shall be an increase in the levy limits of the school district for purposes of section 275.065, subdivision 6. If the commissioner orders the district to levy, the amount of aids reduced to repay the state shall be decreased by the amount levied. This levy by the school district is not eligible for debt service equalization under section 124.95 or any successor provision. A levy under this subdivision must be explained as a specific increase at the meeting required under section 275.065, subdivision 6.

Subd. 7. [ELECTION AS TO MANDATORY APPLICATION.] A school district may covenant and obligate itself, prior to the issuance of an issue of debt obligations, to notify the commissioner of education of a potential default and to use the provisions of this section to guarantee payment of the principal and interest on those debt obligations when due. If the school district obligates itself to be bound by this section, it shall covenant in the resolution that authorizes the issuance of the debt obligations to deposit with the paying agent three business days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the commissioner of education under subdivision 1 that it will be unable to make all or a portion of that payment. A school district that has obligated itself shall include a provision in its agreement with the paying agent for that issue that requires the paying agent to inform the commissioner of education if it becomes aware of a potential default in the payment of principal or interest on that issue or if, on the day two business days prior to the date a payment is due on that issue, there are insufficient funds to make the payment on deposit with the paying agent. If a school district either covenants to be bound by this section or accepts state payments under this section to prevent a default of a particular issue of debt obligations, the provisions of this section shall be binding as to that issue as long as any debt obligation of that issue remain outstanding. If the provisions of this section are or become binding for more than one issue of debt obligations and a district is unable to make payments on one or more of those issues, it shall continue to make payments on the remaining issues.

Subd. 8. [MANDATORY PLAN; TECHNICAL ASSISTANCE.] If the state makes payments on behalf of a district under this section or the district defaults in the payment of principal or interest on an outstanding debt obligation, it shall submit a plan to the commissioner of education for approval specifying the measures it intends to implement to resolve the issues which led to its inability to make the payment and to prevent further defaults. The department shall provide technical assistance to the school district in preparing its plan. If the commissioner determines that a school district's plan is not adequate, the commissioner shall notify the school district that the plan has been disapproved, the reasons for the disapproval, and that the state shall not make future payments under this section for debt obligations issued after the date specified in that notice until its plan is approved. The commissioner may also notify the school district that until its plan is approved, other aids due the district will be withheld after a date specified in the notice.

Subd. 9. [STATE BOND RATING.] If the commissioner of finance determines that the credit rating of the state would be adversely affected thereby, the commissioner shall not issue warrants under subdivision 2 for the payment of principal or interest on any debt obligations for which a school district did not, prior to their issuance, obligate itself to be bound by the provisions of this section.

Sec. 7. Minnesota Statutes 1992, section 124A.03, subdivision 1c, is amended to read:

Subd. 1c. [REFERENDUM ALLOWANCE LIMIT.] (a) Notwithstanding subdivision 1b, a district's referendum allowance must not exceed the greater of:

- (1) the district's referendum allowance for fiscal year 1992; 1994; or
- (2) ~~the district's referendum allowance for fiscal year 1993;~~
- (3) ~~30~~ 25 percent of the formula allowance for the fiscal year for which it is attributable; or
- (4) ~~for a district that held a successful referendum levy election in calendar year 1991, 35 percent of the formula allowance for the fiscal year to which it is attributable~~ 1995 and later.

(b) The allowance calculated in paragraph (a) must be reduced by the amount of the referendum allowance reduction computed in subdivision 3b.

Sec. 8. Minnesota Statutes 1992, section 124A.03, subdivision 1f, is amended to read:

Subd. 1f. [REFERENDUM EQUALIZATION REVENUE.] A district's referendum equalization revenue equals ~~ten percent of the formula allowance~~ \$315 times the district's actual pupil units for that year.

Referendum equalization revenue must not exceed a district's ~~referendum revenue allowance times the district's actual pupil units total referendum revenue~~ for that year.

Sec. 9. Minnesota Statutes 1992, section 124A.03, subdivision 1g, is amended to read:

Subd. 1g. [REFERENDUM EQUALIZATION LEVY.] A district's referendum equalization levy equals the district's referendum equalization revenue times the lesser of one or the ratio of the district's adjusted net tax capacity per actual pupil unit to ~~50~~ 100 percent of the equalizing factor as defined in section 124A.02, subdivision 8.

Sec. 10. Minnesota Statutes 1992, section 124A.03, is amended by adding a subdivision to read:

Subd. 3b. [REFERENDUM ALLOWANCE REDUCTION.] A district's referendum allowance under subdivision 1c is reduced by the amounts calculated in paragraphs (a), (b), and (c).

(a) The referendum allowance reduction equals the amount by which a district's supplemental revenue reduction exceeds the district's supplemental revenue allowance for fiscal year 1993.

(b) Notwithstanding paragraph (a), if a district's initial referendum allowance is less than ten percent of the formula allowance for that year, the reduction equals the lesser of (1) an amount equal to \$100, or (2) the amount calculated in paragraph (a).

(c) Notwithstanding paragraph (a) or (b), a school district's referendum allowance reduction equals (1) an amount equal to \$100, times (2) one minus the ratio of 20 percent of the initial referendum allowance limit minus the district's initial referendum allowance limit to 20 percent of the formula allowance for that year if:

(i) the district's adjusted net tax capacity for assessment year 1992 per actual pupil unit for fiscal year 1995 is less than \$3,000;

(ii) the district's net unappropriated operating fund balance as of June 30, 1993, divided by the actual pupil units for fiscal year 1995 is less than \$200;

(iii) the district's supplemental revenue allowance for fiscal year 1993 is equal to zero; and

(iv) the district's initial referendum revenue authority for the current year divided by the district's net tax capacity for assessment year 1992 is greater than ten percent.

Sec. 11. Minnesota Statutes 1992, section 124A.04, subdivision 2, is amended to read:

Subd. 2. [1993 AND LATER.] The training and experience index ~~for fiscal year 1993 and later fiscal years~~ must be constructed in the following manner:

(a) The department shall construct a matrix that classifies teachers by the extent of training received in accredited institutions of higher education and by the years of experience that districts take into account in determining teacher salaries.

(b) The average salary for each cell of the matrix must be computed as follows using data from the second year of the previous biennium:

(1) For each school district, multiply the salary paid to full-time equivalent teachers with that combination of training and experience according to the district's teacher salary schedule by the number of actual pupil units in that district.

(2) Add the amounts computed in clause (1) for all districts in the state and divide the resulting sum by the total number of actual pupil units in all districts in the state that employ teachers.

(c) For each cell in the matrix, compute the ratio of the average salary in that cell to the average salary for all teachers in the state. ~~Cells of the matrix in lanes beyond the master's degree plus 30 credits lane must receive the same ratio as the cells in the master's degree plus 30 credits lane.~~

(d) The index for each district that employs teachers equals the sum of the ratios for each teacher in that district divided by the number of teachers in that district. The index for a district that employs no teachers is zero.

Sec. 12. Minnesota Statutes 1992, section 124A.22, subdivision 2, is amended to read:

Subd. 2. [BASIC REVENUE.] The basic revenue for each district equals the formula allowance times the actual pupil units for the school year. The formula allowance for ~~1992 and subsequent fiscal years 1993 and 1994~~ is \$3,050. The formula allowance for fiscal year 1995 and subsequent fiscal years is \$3,150.

Sec. 13. Minnesota Statutes 1992, section 124A.22, subdivision 4, is amended to read:

Subd. 4. [TRAINING AND EXPERIENCE REVENUE.] (a) ~~For fiscal year 1992,~~ The previous formula training and experience revenue for each district equals the greater of zero or the result of the following computation:

(1) subtract 1.6 from the training and experience index;

(2) multiply the result in clause (1) by the product of \$700 times the actual pupil units for the school year.

(b) ~~For 1993 and later fiscal years,~~ The maximum training and experience revenue for each district equals the greater of zero or the result of the following computation:

(1) subtract .8 from the training and experience index;

(2) multiply the result in clause (1) by the product of ~~\$575~~ \$660 times the actual pupil units for the school year.

(c) ~~For 1993 and later fiscal years, the previous formula training and experience revenue for each district equals the amount of training and experience revenue computed for that district according to the formula used to compute training and experience revenue for fiscal year 1992.~~

(d) ~~For fiscal year 1993, the training and experience revenue for each district equals the district's previous formula training and experience revenue plus one-fourth of the difference between the district's maximum training and experience revenue and the district's previous formula training and experience revenue.~~

(e) For fiscal year 1994, the training and experience revenue for each district equals the district's previous formula training and experience revenue plus one-half of the difference between the district's maximum training and experience revenue and the district's previous formula training and experience revenue.

(f) ~~(d)~~ For fiscal year 1995, the training and experience revenue for each district equals the district's previous formula training and experience revenue plus three-fourths of the difference between the district's maximum training and experience revenue and the district's previous formula training and experience revenue.

~~(g)~~ (e) For fiscal year 1996 and thereafter, the training and experience revenue for each district equals the district's maximum training and experience revenue.

Sec. 14. Minnesota Statutes 1992, section 124A.22, subdivision 5, is amended to read:

Subd. 5. [DEFINITIONS.] The definitions in this subdivision apply only to subdivisions 6 and 6a.

(a) "High school" means a secondary school that has pupils enrolled in at least the 10th, 11th, and 12th grades. ~~If there is no secondary school in the district that has pupils enrolled in at least the 10th, 11th, and 12th grades, the commissioner shall designate one school in the district as a high school for the purposes of this section.~~

(b) "Secondary average daily membership" means, for a district that has only one high school, the average daily membership of resident pupils in grades 7 through 12. For a district that has more than one high school, "secondary average daily membership" for each high school means the product of the average daily membership of resident pupils in grades 7 through 12 in the high school, times the ratio of six to the number of grades in the high school.

(c) "Attendance area" means the total surface area of the district, in square miles, divided by the number of high schools in the district. For a district that does not operate a high school and is less than 19 miles from the nearest operating high school, the attendance area equals zero.

(d) "Isolation index" for a high school means the square root of one-half the attendance area plus the distance in miles, according to the usually traveled routes, between the high school and the nearest high school.

(e) "Qualifying high school" means a high school that has an isolation index greater than 23 and that has secondary average daily membership of less than 400.

(f) "Qualifying elementary school" means an elementary school that is located 19 miles or more from the nearest elementary school or from the nearest elementary school within the district and, in either case, has an elementary average daily membership of an average of 20 or fewer per grade.

(g) "Elementary average daily membership" means, for a district that has only one elementary school, the average daily membership of resident pupils in kindergarten through grade 6. For a district that has more than one elementary school, "average daily membership" for each school means the average daily membership of kindergarten through grade 6 multiplied by the ratio of seven to the number of grades in the elementary school.

Sec. 15. Minnesota Statutes 1992, section 124A.22, subdivision 6, is amended to read:

Subd. 6. [SECONDARY SPARSITY REVENUE.] (a) A district's secondary sparsity revenue for a school year equals the sum of the results of the following calculation for each qualifying high school in the district:

- (1) the formula allowance for the school year, multiplied by
- (2) the secondary average daily membership of the high school, multiplied by
- (3) the quotient obtained by dividing 400 minus the secondary average daily membership by 400 plus the secondary daily membership, multiplied by
- (4) the lesser of one or the quotient obtained by dividing the isolation index minus 23 by ten.

(b) A newly formed school district that is the result of districts combining under the cooperation and combination program or consolidating under section 122.23 shall receive secondary sparsity revenue equal to the greater of: (1) the amount calculated under paragraph (a) for the combined district; or (2) the sum of the amounts of secondary sparsity revenue the former school districts had in the year prior to consolidation, increased for any subsequent changes in the secondary sparsity formula.

Sec. 16. Minnesota Statutes 1992, section 124A.22, subdivision 8, is amended to read:

Subd. 8. [SUPPLEMENTAL REVENUE.] (a) A district's supplemental revenue allowance for fiscal year 1992 1994 and later fiscal years equals the ~~product of the district's supplemental revenue for fiscal year 1991 times the ratio of:~~

- ~~(1) 1993 divided by the district's 1991-1992 1992-1993 actual pupil units; to~~
- ~~(2) the district's 1990-1991 actual pupil units adjusted for the change in secondary pupil unit weighting from 1.35 to 1.3 made in section 124.17, subdivision 1.~~

~~(b) If a district's minimum allowance exceeds the sum of its basic revenue, previous formula compensatory education revenue, previous formula training and experience revenue, secondary sparsity revenue, and elementary sparsity revenue per actual pupil unit for a fiscal year, and the excess is less than \$250 per actual pupil unit, the district shall receive supplemental revenue equal to the amount of the excess times the actual pupil units for the school year. If the amount of the excess is more than \$250 per actual pupil unit, the district shall receive the greater of (1) \$250 times the actual pupil units; or (2) the amount of the excess times the actual pupil units less the sum of (i) the difference between the district's training and experience revenue and its previous formula training and experience revenue; and (ii) the difference between the district's compensatory education revenue and its previous formula compensatory education revenue. A district's supplemental revenue allowance is reduced for fiscal year 1995 and later according to subdivision 9.~~

(c) A district's supplemental revenue equals the supplemental revenue allowance, if any, times its actual pupil units for that year.

Sec. 17. Minnesota Statutes 1992, section 124A.22, subdivision 9, is amended to read:

Subd. 9. ~~[DEFINITION FOR SUPPLEMENTAL REVENUE REDUCTION.]~~ (a) ~~The definition in this subdivision applies only to subdivision 8.~~

(b) "Minimum allowance" for a district means:

~~(1) the district's general education revenue for fiscal year 1992, according to subdivision 1; divided by~~  
~~(2) the district's 1991-1992 actual pupil units. A district's supplemental revenue allowance is reduced by the sum of:~~

(1) the sum of one-fourth of the difference of:

(i) the sum of the district's training and experience revenue and compensatory revenue per actual pupil unit for that fiscal year, and

(ii) the sum of district's training and experience revenue and compensatory revenue per actual pupil unit for fiscal year 1994; and

(2) the difference between the formula allowance for the current fiscal year and \$3,050.

A district's supplemental revenue allowance may not be less than zero.

Sec. 18. [124A.225] [LEARNING AND DEVELOPMENT REVENUE AMOUNT AND USE.]

Subdivision 1. [REVENUE.] Of a district's general education revenue an amount equal to the sum of the number of elementary pupil units defined in section 124.17, subdivision 1, clause (f) and kindergarten pupil units as defined in section 124.17, subdivision 1, clause (e), times .03 for fiscal year 1994 and .06 for fiscal year 1995 and thereafter times the formula allowance must be reserved according to this section. A district that is not subject to a supplemental revenue reduction under section 17 or a referendum revenue reduction under section 10 must reserve an additional amount of revenue equal to \$100 times the district's actual pupil units times the ratio of the district's elementary average daily membership to the district's average daily membership according to this section. The revenue must be placed in a learning and development reserved account and may only be used according to this section. The ratio for fiscal year 1995 is adjusted by adding an amount equal to the ratio of the difference between the formula allowance for fiscal year 1995 minus 3,150 to 10,000.

Subd. 2. [INSTRUCTOR DEFINED.] Primary instructor means a public employee licensed by the board of teaching whose duties are full-time instruction, excluding a teacher for whom categorical aids are received pursuant to sections 124.273 and 124.32. Except as provided in section 125.230, subdivision 6, instructor does not include supervisory and support personnel, except school social workers as defined in section 125.03. An instructor whose duties are less than full-time instruction must be included as an equivalent only for the number of hours of instruction in grades K through 6.

Subd. 3. [INSTRUCTION CONTACT TIME.] Instruction may be provided by a primary instructor, by a team of instructors, or by teacher resident supervised by a primary instructor. The district must maximize instructor to learner average instructional contact time.

Subd. 4. [REVENUE USE.] Revenue shall be used to reduce and maintain the district's instructor to learner ratios in kindergarten through grade 6 to a level of 1 to 17 on average. The district must prioritize the use of the revenue to attain this level initially in kindergarten and grade 1 and then through the subsequent grades as revenue is available. The revenue may be used to prepare and use an individualized learning plan for each learner. A district must not increase the district wide instructor-learner ratios in other grades as a result of reducing instructor-learner ratios in kindergarten through grade 6. Revenue may not be used to provide instructor preparation time or to provide the district's share of revenue required under section 124.311. Revenue may be used to continue employment for nonlicensed staff employed in the district on the effective date of this act under Minnesota Statutes 1992, section 123.331, subdivision 2.

Subd. 5. [ADDITIONAL REVENUE USE.] If the school board of a school district determines that the district has achieved and is maintaining the instructor-learner ratios specified in subdivision 4 and is using individualized learning plans, the school board may use the revenue to purchase material and services or provide staff development needed for reduced instructor-learner ratios. If additional revenue remains, the district must use the revenue to improve program offerings, including programs provided through interactive television, throughout the district or other general education purposes.

Sec. 19. Minnesota Statutes 1992, section 124A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL EDUCATION TAX RATE.] The commissioner shall establish the general education tax rate by July 1 of each year for levies payable in the following year. The general education tax capacity rate shall be a rate, rounded up to the nearest tenth of a percent, that, when applied to the adjusted net tax capacity for all districts, raises the amount specified in this subdivision. The general education tax rate shall be the rate that raises \$916,000,000 for fiscal year 1993 and \$969,800,000 for fiscal year 1994, \$1,044,000,000 for fiscal year 1995 and later fiscal years. The general education tax rate may not be changed due to changes or corrections made to a district's adjusted net tax capacity after the tax rate has been established.

Sec. 20. Minnesota Statutes 1992, section 124A.23, subdivision 5, is amended to read:

Subd. 5. [USES OF REVENUE.] Except as provided in section 124A.225, general education revenue may be used during the regular school year and the summer for general and special school purposes.

Sec. 21. Minnesota Statutes 1992, section 124A.24, is amended to read:

124A.24 [GENERAL EDUCATION LEVY EQUITY.]

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapters 124 and 124B, receivable for the same school year, and from other state payments receivable for the same school year authorized in chapter 273. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

- (1) the general education tax rate, according to section 124A.23, times the district's adjusted net tax capacity used to determine the general education aid for the same school year; and
- (2) the district's general education revenue, excluding training and experience revenue and supplemental revenue, for the same school year, according to section 124A.22.

~~However, for fiscal year 1992, the amount of the deduction shall be four sixths of the difference between clauses (1) and (2); and for fiscal year 1993, the amount of the deduction shall be five sixths of the difference between clauses (1) and (2).~~

Sec. 22. Minnesota Statutes 1992, section 124A.26, subdivision 1, is amended to read:

Subdivision 1. [REVENUE REDUCTION.] A district's general education revenue for a school year shall be reduced if the estimated net unappropriated operating fund balance as of June 30 in the prior school year exceeds \$600 25 percent of the formula allowance for the current fiscal year times the fund balance pupil units in the prior year. For purposes of this subdivision and section 124.243, subdivision 2, fund balance pupil units means the number of resident pupil units in average daily membership, including shared time pupils, according to section 124A.02, subdivision 20, plus

(1) pupils attending the district for which general education aid adjustments are made according to section 124A.036, subdivision 5; minus

(2) the sum of the resident pupils attending other districts for which general education aid adjustments are made according to section 124A.036, subdivision 5, plus pupils for whom payment is made according to section 126.22, subdivision 8, or 126.23. The amount of the reduction shall equal the lesser of:

- (1) the amount of the excess, or

(2) \$150 \$250 times the actual pupil units for the school year.

The final adjustment payments made under section 124.195, subdivision 6, must be adjusted to reflect actual net operating fund balances as of June 30 of the prior school year.

Sec. 23. Minnesota Statutes 1992, section 124A.26, is amended by adding a subdivision to read:

Subd. 4. [ALLOCATION AMONG OPERATING FUNDS.] The revenue reduction required under this section must be allocated to the transportation fund and the community service fund in the following manner:

(1) each year, a school district shall calculate the ratio of the transportation net unappropriated operating fund balance and the community service net unappropriated operating fund balance to the total net unappropriated operating fund balance;

(2) multiply the ratios computed in clause (1) by the total fund balance reduction required under this section;

(3) the school district shall transfer the amounts, if any, calculated in clause (2) from the transportation and community service funds to the general fund.

Sec. 24. [124A.698] [POLICY.]

Financing the education of our children is one of state government's most important functions. In performing this function, the state seeks to provide sufficient funding while encouraging equity, accountability, and incentives toward quality improvement. To help achieve these goals and to help control future spending growth, the state will fund core instruction and related support services, will facilitate improvement in the quality and delivery of programs and services, and will equalize revenues raised locally for discretionary purposes.

Sec. 25. Minnesota Statutes 1992, section 124A.70, is amended to read:

124A.70 [BASIC CORE INSTRUCTIONAL AID.]

Subdivision 1. [BASIC OUTCOMES.] Basic outcomes are defined as learner outcomes that must be achieved as a requirement for graduation, specified in rule by the state board of education. Basic outcomes are ~~those outcomes that have standards of achievement determined by the state board~~ the basic knowledge and skills determined necessary by the board for graduates to become productive employees, parents, and citizens. The board shall review and amend, if necessary, its graduation rule every two years.

Subd. 2. [AID AMOUNT.] Basic Core instructional aid is equal to the aid allowance cost determined necessary by the legislature to achieve the basic outcomes for each student times the number of actual pupil units for the school year plus support services aid for the district as determined under section 124A.711. The core instructional aid allowance for fiscal year 2000 1998 and thereafter is zero.

Subd. 3. [SPECIAL NEED AID.] Each district shall receive special need aid equal to zero times the number of actual pupil units for the school year times the district's special need index.

Subd. 4. [COST DIFFERENTIAL AID.] Each district shall receive aid equal to zero times the number of actual pupil units for the school year times its cost differential index. This aid is only available if the district has implemented a career teacher program.

Subd. 3a. [AID TO LEARNING SITES.] Each district is encouraged to direct core instructional aid to the learning sites in the district and minimize the core instructional aid used for other programs or services. Each district shall, to the extent possible, facilitate allocation of each learning site's core instructional aid by site management teams consisting of site administrators, teachers, parents, and other interested persons.

Subd. 5. [AID USES.] Aid received under this section may only be used to deliver instructional services needed to assure that all pupils in the district achieve the basic outcomes through the following uses programs and services:

(1) salaries and benefits for licensed and nonlicensed instructional staff used to instruct or direct instructional delivery or provide academic instructional support services;

(2) instructional supplies and resources including, but not limited to, curricular materials, maps, individualized instructional materials, test materials, and other related supplies;

(3) ~~tuition~~ payments to other service providers for direct instruction or instructional materials; and

(4) computers, interactive television, and other technologically related equipment used in the direct delivery of instruction;

(5) programs and services related to students' academic and career progression including, but not limited to, community- and work-based learning through mentoring, community service, and youth apprenticeships;

(6) early childhood education programs designed to ensure that students are ready to learn when they enter the education system; and

(7) activities related to measurement of student progress toward basic outcomes.

Sec. 26. [124A.711] [SUPPORT SERVICES AID.]

Subdivision 1. [SUPPORT SERVICES.] "Support services" means services and programs beyond the core instruction considered essential to allow students to achieve the basic outcomes including, but not limited to, the following:

(1) counselors, psychologists, and social workers;

(2) services and programs for students needing special education and handicapped children aged zero to three;

(3) health care, including early childhood screening;

(4) transportation;

(5) nutrition programs;

(6) libraries and other media and information centers;

(7) programs for specialized curricula relating to programs such as violence prevention, AIDS awareness and prevention, and drug abuse prevention; and

(8) programs and services for students judged to be at high risk of not completing their education or otherwise having a social or economic problems in excess of other students.

Subd. 2. [DETERMINATION OF AID.] The total amount of support services aid shall be determined according to indices for each service recommended by the commissioner of education after consultations with appropriate state agencies, educators, and other interested persons. The commissioner shall recommend indices and aid amounts to the legislature by February 1 of each odd-numbered year. The indices shall reflect the need for each service based on the economic, geographic, demographic, and other appropriate characteristics of each district.

Sec. 27. Minnesota Statutes 1992, section 273.13, subdivision 23, is amended to read:

Subd. 23. [CLASS 2.] (a) Class 2a property is agricultural land including any improvements that is homesteaded. The market value of the house and garage and immediately surrounding one acre of land has the same class rates as class 1a property under subdivision 22. ~~If the market value of the house, garage, and surrounding one acre of land is less than \$115,000, The value of the remaining land including improvements equal up to the difference between \$115,000 and the market value of the house, garage, and surrounding one acre of land has a net class rate of .45 percent of market value and a gross class rate of 1.75 percent of market value. The remaining value of class 2a property over \$115,000 of market value that does not exceed 320 acres has a net class rate of 1.3 one percent of market value, and a gross class rate of 2.25 percent of market value. The remaining property over the \$115,000 market value in excess of 320 acres has a class rate of 1.6 1.5 percent of market value, and a gross class rate of 2.25 percent of market value.~~

(b) Class 2b property is (1) real estate, rural in character and used exclusively for growing trees for timber, lumber, and wood and wood products; and (2) real estate that is nonhomestead agricultural land. Class 2b property has a net class rate of 1-6 1.5 percent of market value, and a gross class rate of 2.25 percent of market value.

(c) Agricultural land as used in this section means contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land, and land included in state or federal farm programs. "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products.

(d) Real estate of less than ten acres used principally for raising or cultivating agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

(e) The term "agricultural products" as used in this subdivision includes:

(1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing animals, horticultural and nursery stock described in sections 18.44 to 18.61, fruit of all kinds, vegetables, forage, grains, bees, and apiary products by the owner;

(2) fish bred for sale and consumption if the fish breeding occurs on land zoned for agricultural use;

(3) the commercial boarding of horses if the boarding is done in conjunction with raising or cultivating agricultural products as defined in clause (1); and

(4) property which is owned and operated by nonprofit organizations used for equestrian activities, excluding racing.

(f) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

(1) wholesale and retail sales;

(2) processing of raw agricultural products or other goods;

(3) warehousing or storage of processed goods; and

(4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3),

the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does not qualify as an agricultural purpose.

The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 28. Minnesota Statutes 1992, section 273.1398, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of local tax rates.

(c) "~~Gross tax capacity~~" means ~~the product of the gross class rates and estimated market values.~~ "~~Total gross tax capacity~~" means ~~the gross tax capacities for all property within the unique taxing jurisdiction. The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Gross tax capacity cannot be less than zero.~~

(d) "Net tax capacity" means the product of (i) the appropriate net class rates for the year in which the aid is payable, except that for aids payable in 1992 the class rate applied to class 4b property shall be 2.9 percent; the class rate applied to class 4a property shall be 3.55 percent; the class rate applied to noncommercial seasonal recreational residential property shall be 2.25 percent; and the class rates applied to portions of class 1a, 1b, and 2a property shall be 2 percent for the market value between \$68,000 and \$110,000 and 2.5 percent for the market value over \$110,000; for aid payable in 1993 the class rate applicable to class 4a shall be 3.5 percent; and the class rate applicable to class 4b shall be 2.65 percent; and for aid payable in 1994 the class rate applicable to class 4b shall be 2.4 percent and the class rate applicable to class 2a property over \$115,000 market value and less than 320 acres is 1.15 percent, and (ii) estimated market values for the assessment two years prior to that in which aid is payable. The exclusion of the value of the house, garage, and one acre from the first tier of agricultural homestead property must not be considered in determining net tax capacity for purposes of this paragraph for aids payable in 1994. The reclassification of mobile home parks as class 4c shall not be considered in determining net tax capacity for purposes of this paragraph for aids payable in 1991 or 1992. Any reclassification of property by Laws 1991, chapter 291, shall not be considered in determining net tax capacity for aids payable in 1992. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) (d) "Previous net tax capacity" means the product of the appropriate net class rates for the year previous to the year in which the aid is payable, and estimated market values for the assessment two years prior to that in which aid is payable. "Total previous net tax capacity" means the previous net tax capacities for all property within the unique taxing jurisdiction. The total previous net tax capacity shall be reduced by the sum of (1) the unique taxing jurisdiction's previous net tax capacity of commercial-industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the previous net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the previous net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. Previous net tax capacity cannot be less than zero.

(f) (e) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(g) "1989 local tax rate" means ~~the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989 by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.~~

(h) (f) "Equalized school levies" means the amounts levied for:

- (1) general education under section 124A.23, subdivision 2;
- (2) supplemental revenue under section 124A.22, subdivision 8a;
- (3) capital expenditure facilities revenue under section 124.243, subdivision 3;
- (4) capital expenditure equipment revenue under section 124.244, subdivision 2;
- (5) basic transportation under section 124.226, subdivision 1; and

(6) referendum revenue under section 124A.03.

(g) "Current local tax rate" means the quotient derived by dividing the taxes levied within a unique taxing jurisdiction for taxes payable in the year prior to that for which aids are being calculated by the net tax capacity of the unique taxing jurisdiction.

~~(i) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's 1989 local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.~~

~~(j) (h) For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties," "gross taxes," or "taxes levied" means the total taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F.02, subdivision 3, subject to the areawide tax as provided in section 473F.08, subdivision 6, in a unique taxing jurisdiction. Gross taxes levied on all properties or gross taxes are before reduction by any credits for taxes payable in 1989. "Gross taxes" are before any reduction for disparity reduction aid but "taxes levied" are after any reduction for disparity reduction aid. Gross taxes levied or taxes levied cannot be less than zero.~~

~~"Taxes levied" excludes actual amounts levied for purposes listed in subdivision 2a equalized school levies.~~

~~(k) (i) "Human services aids" means:~~

- ~~(1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;~~
- ~~(2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;~~
- ~~(3) general assistance medical care under section 256D.03, subdivision 6;~~
- ~~(4) general assistance under section 256D.03, subdivision 2;~~
- ~~(5) work readiness under section 256D.03, subdivision 2;~~
- ~~(6) emergency assistance under section 256.871, subdivision 6;~~
- ~~(7) Minnesota supplemental aid under section 256D.36, subdivision 1;~~
- ~~(8) preadmission screening and alternative care grants;~~
- ~~(9) work readiness services under section 256D.051;~~
- ~~(10) case management services under section 256.736, subdivision 13;~~
- ~~(11) general assistance claims processing, medical transportation and related costs; and~~
- ~~(12) medical assistance, medical transportation and related costs.~~

~~(l) "Cost-of-living adjustment factor" means the greater of one or one plus the percentage increase in the consumer price index minus .36 percent. In no case may the cost of living adjustment factor exceed 1.0394.~~

~~(m) The percentage increase in the consumer price index means the percentage, if any, by which:~~

- ~~(1) the consumer price index for the calendar year preceding that in which aid is payable, exceeds~~
- ~~(2) the consumer price index for calendar year 1989.~~

~~(n) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12 month period ending on May 31 of such calendar year.~~

(e) ~~"Consumer price index" means the last consumer price index for all urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.~~

(f) (j) "Household adjustment factor" means the number of households for the second most recent year preceding that in which the aids are payable divided by the number of households for the third most recent year. The household adjustment factor cannot be less than one.

(g) (k) "Growth adjustment factor" means the household adjustment factor in the case of counties, cities, and towns. In the case of school districts the growth adjustment factor means the average daily membership of the school district under section 124.17, subdivision 2, for the school year ending in the second most recent year preceding that in which the aids are payable divided by the average daily membership for the third most recent year. In the case of special taxing districts, the growth adjustment factor equals one. The growth adjustment factor cannot be less than one.

(h) (l) For aid payable in 1992 and subsequent years, "homestead and agricultural credit base" means the previous year's certified homestead and agricultural credit aid determined under subdivision 2 less any permanent aid reduction in the previous year to homestead and agricultural credit aid under section 477A.0132, plus, for aid payable in 1992, fiscal disparity homestead and agricultural credit aid under subdivision 2b.

(i) (m) "Net tax capacity adjustment" means (1) the total previous net tax capacity minus the total net tax capacity, multiplied by (2) the unique taxing jurisdiction's current local tax rate. The net tax capacity adjustment cannot be less than zero.

(j) (n) "Fiscal disparity adjustment" means the difference between (1) a taxing jurisdiction's fiscal disparity distribution levy under section 473F.08, subdivision 3, clause (a), for taxes payable in the year prior to that for which aids are being calculated, and (2) the same distribution levy multiplied by the ratio of the highest class rate for class 3 property for taxes payable in the year prior to that for which aids are being calculated to the highest class rate for class 3 property for taxes payable in the second prior year to that for which aids are being calculated. In the case of school districts, the fiscal disparity distribution levy shall exclude that part of the levy attributable to equalized school levies ~~as defined in subdivision 2a.~~

Sec. 29. Minnesota Statutes 1992, section 273.1398, subdivision 2a, is amended to read:

Subd. 2a. [EDUCATION LEVY REDUCTION.] (a) As used in this subdivision, "equalized levies" means the sum of the maximum amounts that may be levied for:

- (1) general education under section 124A.23, subdivision 2;
- (2) supplemental revenue under section 124A.23, subdivision 2a;
- (3) capital expenditure facilities revenue under section 124.243, subdivision 3;
- (4) capital expenditure equipment revenue under section 124.44, subdivision 2; ~~and~~
- (5) basic transportation under section 124.226, subdivision 1; and
- (6) referendum revenue under section 124A.03.

(b) By December 1, the commissioner of education shall determine and certify to the commissioner of revenue the amount of the education levy reduction. The reduction shall be equal to the amount by which:

(1) the amount that would have been computed as the district's total maximum levy for property taxes payable in 1990, if the equalized levies had been based upon the district's adjusted gross tax capacity, the general education tax rate had been 29.1 percent, the taconite levy reduction limit according to section 124.918, subdivision 8, had been 10.22 percent of adjusted gross tax capacity, and the capital expenditure equipment and facilities levies had been calculated using 70 percent of the equalizing factor, exceeds

(2) the amount that would have been computed as the district's total maximum levy for property taxes payable in 1990, if the equalized levies had been based upon the district's adjusted net tax capacity, the general education tax rate had been 29.1 percent, the taconite levy reduction limit according to section 124.918, subdivision 8, had been 10.22 percent of adjusted net tax capacity, and the capital expenditure equipment and facilities levies had been calculated using 70 percent of the equalizing factor.

(c) For property taxes payable in 1990, the amount of the education levy reduction shall be deducted from the homestead and agricultural credit aid payable to each school district under subdivision 2.

Homestead and agricultural credit aid shall not be reduced below zero.

Sec. 30. Minnesota Statutes 1992, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 29 and December 20, the governing bodies of the city and county shall each hold a public hearing to adopt its final budget and property tax levy for taxes payable in the following year, and the governing body of the school district shall hold a public hearing to review its current budget and adopt its property tax levy for taxes payable in the following year.

At the hearing, the taxing authority, other than a school district, may amend the proposed budget and property tax levy and must adopt a final budget and property tax levy, and the school district may amend the proposed property tax levy and must adopt a final property tax levy.

The property tax levy certified under section 275.07 by a city, county, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 124.82, subdivision 3, 124A.03, subdivision 2, 124B.03, subdivision 2, or 136C.411, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds issued or approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a; ~~and~~

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of revenue or the commissioner of education after the proposed levy was certified; and

(7) the amount required under section 124.755.

At the hearing the percentage increase in property taxes proposed by the taxing authority, if any, and the specific purposes for which property tax revenues are being increased must be discussed. During the discussion, the governing body shall hear comments regarding a proposed increase and explain the reasons for the proposed increase. The public shall be allowed to speak and to ask questions prior to adoption of any measures by the governing body. The governing body, other than the governing body of a school district, shall adopt its final property tax levy prior to adopting its final budget.

If the hearing is not completed on its scheduled date, the taxing authority must announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continued hearing must be held at least five business days but no more than 14 business days after the original hearing.

The hearing must be held after 5:00 p.m. if scheduled on a day other than Saturday. No hearing may be held on a Sunday. The governing body of a county shall hold its hearing on the second Tuesday in December each year. The county auditor shall provide for the coordination of hearing dates for all cities and school districts within the county.

By August 15, each school board shall certify to the county auditors of the counties in which the school district is located the dates on which it elects to hold its hearings and any continuations. If a school board does not certify the dates by August 15, the auditor will assign the hearing date. The dates elected or assigned must not conflict with the county hearing dates. By August 20, the county auditor shall notify the clerks of the cities within the county of the dates on which school districts have elected to hold their hearings. At the time a city certifies its proposed levy under subdivision 1 it shall certify the dates on which it elects to hold its hearings and any continuations. The city must not select dates that conflict with the county hearing dates or with those elected by or assigned to the school districts in which the city is located.

The county hearing dates and the city and school district hearing dates must be designated on the notices required under subdivision 3. The continuation dates need not be stated on the notices.

This subdivision does not apply to towns and special taxing districts.

Sec. 31. Minnesota Statutes 1992, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts in which the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior second previous school year shall be multiplied by the ratio of the average adjusted net tax capacity per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 298.018; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values that is less than the amount of its levy reduction under section 124.918, subdivision 8, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

~~(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, the increase over the amount established for 1987 shall be determined as if there had been an increase in the tax rate under section 298.24, subdivision 1, paragraph (b), according to the increase in the implicit price deflator. On July 15, 1989, 1994, 1990, and 1991, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). In 1992 and 1993, the amount distributed per ton shall be the same as that determined for distribution in 1991. In 1994, the amount distributed per ton shall be equal to the amount per ton distributed in 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. On July 15, 1995, and subsequent years, and subsequent years, an amount equal to the increase derived by increasing the amount determined by paragraph (c) shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum according to the following formula, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:~~

(i) \$175 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of 1.8 percent times the district's taxable net tax capacity in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the sum of the amount certified pursuant to section 124A.03, subdivision 1g, in the previous year, plus the amount certified pursuant to section 124A.03, subdivision 1i, in the previous year, plus the referendum aid according to section 124A.03, subdivision 1h, for the current year, to the product of 1.8 percent times the district's taxable net tax capacity in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$175 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid which the district receives pursuant to section 124A.23 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

Each district receiving money according to this paragraph shall reserve \$25 times the number of pupil units in the district. It may use the money for early childhood programs or for outcome-based learning programs that enhance the academic quality of the district's curriculum. The outcome-based learning programs must be approved by the commissioner of education.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

Sec. 32. Minnesota Statutes 1992, section 473F.02, is amended by adding a subdivision to read:

Subd. 24. [LOCAL TAX RATE.] "Local tax rate" means a governmental unit's levy, including any portion levied against market value under section 124A.03, subdivision 2a, divided by its net tax capacity.

Sec. 33. [SPECIAL DEFINITION OF A PUPIL UNIT IN ONAMIA.]

Notwithstanding Minnesota Statutes, section 124.17, for fiscal year 1994 only, a resident pupil of independent school district No. 480, Onamia, who enrolls in a nonpublic school located on a reservation shall be counted as one-half of a pupil unit in average daily membership.

Sec. 34. [GENERAL EDUCATION REVENUE REDUCTION; SLAYTON.]

Subdivision 1. [QUALIFICATION.] Independent school district No. 504, Slayton, is eligible for revenue under this section if the district has an approved plan for cooperation and combination. If the referendum required under Minnesota Statutes, section 122.243, subdivision 2, fails, the aid adjustment required in subdivision 2 cancels and the department of education shall make a negative adjustment to the following year's aid payments for any amount actually paid to the district. If the referendum fails, the district's levy authority under subdivision 3 is canceled. If the levy has already been certified, the department of education shall make a negative levy adjustment to the following year's general education levy limitations.

Subd. 2. [AID ADJUSTMENT.] For fiscal year 1994 only, the department of education shall include in the general education aid calculation for independent school district No. 504, Slayton, the sum of the amounts by which the district's general education aid was reduced for fiscal years 1992 and 1993 under Minnesota Statutes, section 124A.26.

Subd. 3. [LEVY ADJUSTMENT.] For 1993 taxes payable in 1994 only, independent school district No. 504, Slayton, or its successor district, may levy an amount not to exceed the sum of the levy reductions for fiscal years 1992 and 1993 resulting from the general education revenue fund balance reduction under Minnesota Statutes, section 124A.26.

Sec. 35. [COALITION FOR EDUCATION REFORM AND ACCOUNTABILITY; TRANSITION PROVISIONS.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] The coalition for educational reform and accountability is established to promote public understanding of and support for policies and practices that help Minnesota students attain world-class education outcomes and succeed in the 21st century. The coalition shall promote innovation and sustainable reform in education.

Subd. 2. [MEMBERSHIP.] The coalition shall consist of 24 members. The coalition is encouraged to seek private donations and may hire an executive director if funds are available. The members, appointed by the panel in subdivision 3, must include eight people directly involved in public education including higher education, six people who represent state and local governments, and ten people who are public members, including parents, business leaders, labor leaders, government leaders, educators, journalists, and others who have demonstrated a commitment to excellence in Minnesota public schools. Membership terms and removal are governed by Minnesota Statutes, section 15.059.

Subd. 3. [PANEL.] A panel, composed of one person appointed by the governor, one person appointed by the speaker of the House of Representatives, one person appointed by the subcommittee on committees of the Senate committee on rules and administration, and the commissioner of education, shall appoint the members of the coalition. The members of the panel appointed by the speaker and the subcommittee on committees shall serve as two of the six members of the coalition representing state and local government. The panel shall consider gender and geographical and racial diversity in the appointments. The commissioner of education shall chair and convene the panel. The panel must make the first appointments to the coalition by September 1, 1993.

Subd. 4. [ACTIVITIES TO PROMOTE INNOVATION.] Coalition activities to promote innovation and sustainable reform in education include:

- (1) developing a strategic plan and corresponding target dates for implementing major reform goals and practices;
- (2) encouraging and supporting policies to bring systemic change into the state's public schools;
- (3) assisting in implementing various reform and accountability initiatives adopted by the state;
- (4) reporting annually on the state's progress in developing and implementing student and system outcomes; and
- (5) working with all stakeholders to identify and monitor their respective responsibilities for helping students and the public education system achieve educational objectives.

Subd. 5. [FINANCIAL PLAN.] The coalition must deliver to the legislature by January 31, 1995, a plan to achieve the purposes of Minnesota Statutes, sections 124A.698 to 124A.72. The plan shall at least include:

- (1) proposed definitions and estimated costs of core instruction, support services, and local discretionary services;
- (2) an implementation schedule for realizing this section by fiscal year 2000;
- (3) a process to monitor the development of education outcomes and make proposals for rewarding the progress that learning sites make toward achieving the outcomes and assisting those learning sites unable to make such progress;
- (4) consideration of whether the delivery system for implementing the proposed changes is more appropriately a prekindergarten through grade 10 system combined with a revised post-secondary system or the current prekindergarten through grade 12 system, and an examination of the most effective delivery system for programs such as youth apprenticeship, enrollment options, technical preparation, and secondary vocational programs, and area learning centers; and
- (5) other law and rule changes necessary to accomplish the purposes of this section.

Subd. 6. [STUDY.] The coalition, in conjunction with the Minnesota state high school league, the Minnesota academic excellence foundation, and the Minnesota school board association shall study the cost of and accounting for co-curricular and extracurricular activities and the implications of how the activities are funded. The coalition shall deliver the results of the study to the legislature with the plan required under subdivision 5.

Subd. 7. [EXPIRATION.] Notwithstanding Minnesota Statutes, section 15.059, subdivision 5, the coalition expires June 30, 2000.

Sec. 36. [LEVY ADJUSTMENT; APPLETON.]

Notwithstanding any law to the contrary, independent school district No. 784, Appleton, must not receive a negative levy adjustment for any referendum levy certified for taxes payable in 1992. For taxes payable in 1994 only, independent school district No. 784, Appleton, shall make a positive levy adjustment in an amount equal to the amount of the negative levy adjustment attributable to the district's referendum levy made to the district's 1992 taxes payable in 1993.

Sec. 37. [REFERENDUM AUTHORITY.]

Unless scheduled to expire sooner, a referendum levy authorized under section 124A.03, expires July 1, 1997.

## Sec. 38. [TAX CREDIT ADJUSTMENT.]

Prior to the computation of homestead and agricultural aid for taxes payable in 1994, the commissioner of revenue shall reduce a school district's homestead and agricultural aid by an amount equal to the homestead and agricultural aid for calendar year 1993 times the ratio of referendum levy certified for 1993 to the certified unequalized levies for 1993. The department of education shall determine the change in referendum levies payable in 1994 attributable to the increase in equalization under sections 8 and 9. Notwithstanding any law to the contrary, a district may recognize revenue equal to one-half of the levy reduction in the fiscal year the levy is certified and each year thereafter.

## Sec. 39. [PAYMENT DATES.]

Upon notification from the commissioner of finance of the need to reduce or avoid state short-term borrowing in fiscal year 1995, the commissioner of education shall delay payments due under section 124.195, subdivision 3, by up to ten business days. For purposes of this section, the commissioner of education may make adjustments in the amount of delayed payments to a school district if it is determined that the district's cash balances will not be sufficient to cover payroll during the 15-day period following the due date.

## Sec. 40. [GENERAL EDUCATION REVENUE CORRECTION.]

Subdivision 1. [DULUTH RECOMPUTATION.] The department of education shall recompute the base revenue in fiscal year 1988 for supplemental revenue determination for fiscal year 1994 and thereafter for the omission of supplemental pension contributions for independent school district No. 709, Duluth.

Subd. 2. [COMPUTATION.] The department of education, with consultation of the legislative commission on pensions and retirement, shall determine the pension contribution amounts in subdivision 1.

## Sec. 41. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [GENERAL AND SUPPLEMENTAL EDUCATION AID.] For general and supplemental education aid:

\$1,795,024,000	.....	1994
\$2,040,181,000	.....	1995

The 1994 appropriation includes \$257,551,000 for 1993 and \$1,537,473,000 for 1994.

The 1995 appropriation includes \$270,110,000 for 1994 and \$1,770,071,000 for 1995.

## Sec. 42. [REPEALER.]

Laws 1988, chapter 486, section 59, is repealed. Minnesota Statutes 1992, section 124.197, is repealed July 1, 1993.

## Sec. 43. [EFFECTIVE DATE.]

Section 16 is effective for supplemental revenue beginning July 1, 1993. Sections 7, 8, 9, 10, 11, 13, 14, 15, 17, 22, and 23 are effective for revenue for fiscal year 1995.

Section 6 is effective the day following final enactment and shall be applicable to all school district debt obligations issued on or after its effective date.

Section 4 is effective for assessment year 1992 and subsequent years. Section 28 is effective for taxes payable in 1994 and subsequent years. Section 29 is effective for aids payable in 1994 and subsequent years.

## ARTICLE 2

## TRANSPORTATION

Section 1. Minnesota Statutes 1992, section 120.062, subdivision 9, is amended to read:

Subd. 9. [TRANSPORTATION.] (a) 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. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week.

At the time a nonresident district notifies a parent or guardian that an application has been accepted under subdivision 5 or 6, the nonresident district must provide the parent or guardian with the following information regarding the transportation of nonresident pupils under this section:

(1) a nonresident district may transport a pupil within the pupil's resident district under this section only with the approval of the resident district; and

(2) a parent or guardian of a pupil attending a nonresident district under this section may appeal under section 123.39, subdivision 6, the refusal of the resident district to allow the nonresident district to transport the pupil within the resident district.

(b) Notwithstanding paragraph (a) and section 124.225, subdivision 8l, transportation provided by a nonresident district between home and school for a pupil attending school under this section is authorized for nonregular transportation revenue under section 124.225, if the following criteria are met:

(1) the school that the pupil was attending prior to enrolling in the nonresident district under this section was closed;

(2) the distance from the closed school to the next nearest school in the district that the student could attend is at least 20 miles;

(3) the pupil's residence is at least 20 miles from any school that the pupil could attend in the resident district; and

(4) the pupil's residence is closer to the school of attendance in the nonresident district than to any school the pupil could attend in the resident district.

Sec. 2. Minnesota Statutes 1992, section 120.73, subdivision 1, is amended to read:

Subdivision 1. A school board is authorized to require payment of fees in the following areas:

(a) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(b) admission fees or charges for extra curricular activities, where attendance is optional;

(c) a security deposit for the return of materials, supplies, or equipment;

(d) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the school board;

(e) items of personal use or products which a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(f) fees specifically permitted by any other statute, including but not limited to section 171.04, subdivision 1, clause (1);

(g) field trips considered supplementary to a district educational program;

(h) any authorized voluntary student health and accident benefit plan;

(i) for the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(j) transportation of pupils to and from extra curricular activities conducted at locations other than school, where attendance is optional;

(k) transportation of pupils to and from school for which aid is not authorized under section 124.223, subdivision 1, and for which levy is not authorized under section 124.226, subdivision 5, if a district charging fees for transportation of pupils establishes guidelines for that transportation to ensure that no pupil is denied transportation solely because of inability to pay;

(l) motorcycle classroom education courses conducted outside of regular school hours; provided the charge shall not exceed the actual cost of these courses to the school district;

(m) transportation to and from post-secondary institutions for pupils enrolled under the post-secondary enrollment options program under section 123.39, subdivision 16. Fees collected for this service must be reasonable and shall be used to reduce the cost of operating the route. Families who qualify for mileage reimbursement under section 123.3514, subdivision 8, may use their state mileage reimbursement to pay this fee. If no fee is charged, districts shall allocate costs based on the number of pupils riding the route.

Sec. 3. Minnesota Statutes 1992, section 123.39, is amended by adding a subdivision to read:

Subd. 15. [PUPIL TRANSPORT ON STAFF DEVELOPMENT DAYS.] A school district may provide bus transportation between home and school for pupils on days devoted to parent-teacher conferences, teacher's workshops, or other staff development opportunities. If approved by the commissioner as part of a program of educational improvement, the cost of providing this transportation, as determined by generally accepted accounting principles, must be considered part of the authorized cost for regular transportation for the purposes of section 124.225. The commissioner shall approve inclusion of these costs in the regular transportation category only if the total number of instructional hours in the school year divided by the total number of days for which transportation is provided equals or exceeds the number of instructional hours per day prescribed in the rules of the state board.

Sec. 4. Minnesota Statutes 1992, section 123.39, is amended by adding a subdivision to read:

Subd. 16. [POST-SECONDARY ENROLLMENT OPTIONS PUPILS.] School districts may provide bus transportation along school bus routes established to provide nonregular transportation as defined in section 124.225, subdivision 1, paragraph (c), clause (2), when space is available, for pupils attending programs at a post-secondary institution under the post-secondary enrollment options program. The transportation is permitted only if it does not increase the district's expenditures for transportation. Fees collected for this service under section 120.73, subdivision 1, paragraph (m), shall be subtracted from the authorized cost for nonregular transportation for the purpose of section 124.225.

Sec. 5. Minnesota Statutes 1992, 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 paragraph (c), clause (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 12-1/2 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 33-1/3 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 169.01, subdivision 6, paragraph (c), 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) "Transportation category" means a category of transportation service provided to pupils as follows:

(1) Regular transportation is transportation services provided during the regular school year under section 124.223, subdivisions 1 and 2, excluding the following transportation services provided under section 124.223, subdivision 1: transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; 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 transportation of elementary pupils to and from school within a mobility zone.

(2) Nonregular transportation is transportation services provided under section 124.223, subdivision 1, that are excluded from the regular category and transportation services provided under section 124.223, subdivisions 3, 4, 5, 6, 7, 8, 9, and 10.

(3) Excess transportation is transportation to and from school during the regular school year 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, drug, or crime hazards.

(4) Desegregation transportation is transportation during the regular school year of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the state board or under court order.

(5) Handicapped transportation is transportation provided under section 124.223, subdivision 4, for pupils with a disability between home or a respite care facility and school or other buildings where special instruction required by section 120.17 is provided.

(d) "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.

(e) "Current year" means the school year for which aid will be paid.

(f) "Base year" means the second school year preceding the school year for which aid will be paid.

(g) "Base cost" means the ratio of:

(1) the sum of the authorized cost in the base year for regular transportation as defined in paragraph (b) plus the actual cost in the base year for excess transportation as defined in paragraph (c);

(2) to the sum of the number of weighted ~~FTE pupils transported~~ FTE's in the regular and excess categories in the base year.

(h) "Pupil weighting factor" for the excess transportation category for a school district means the lesser of one, or the result of the following computation:

(1) Divide the square mile area of the school district by the number of ~~FTE pupils transported~~ FTE's in the regular and excess categories in the base year.

(2) Raise the result in clause (1) to the one-fifth power.

(3) Divide four-tenths by the result in clause (2).

The pupil weighting factor for the regular transportation category is one.

(i) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(j) "Sparsity index" for a school district means the greater of .005 or the ratio of the square mile area of the school district to the sum of the number of weighted FTE's transported by the district in the regular and excess categories in the base year.

(k) "Density index" for a school district means the greater of one or the result obtained by subtracting the product of the district's sparsity index times 20 from two.

(l) "Contract transportation index" for a school district means the greater of one or the result of the following computation:

(1) Multiply the district's sparsity index by 20.

(2) Select the lesser of one or the result in clause (1).

(3) Multiply the district's percentage of regular FTE's transported in the current year using vehicles that are not owned by the school district by the result in clause (2).

(m) "Adjusted predicted base cost" means the predicted base cost as computed in subdivision 3a as adjusted under subdivision 7a.

(n) "Regular transportation allowance" means the adjusted predicted base cost, inflated and adjusted under subdivision 7b.

Sec. 6. Minnesota Statutes 1992, section 124.225, subdivision 3a, is amended to read:

Subd. 3a. [PREDICTED BASE COST.] A district's predicted base cost equals the result of the following computation:

(a) Multiply the transportation formula allowance by the district's sparsity index raised to the one-fourth power. The transportation formula allowance is ~~\$421~~ \$447 for the ~~1989-1990~~ 1991-1992 base year and ~~\$434~~ \$463 for the ~~1990-1991~~ 1992-1993 base year.

(b) Multiply the result in paragraph (a) by the district's density index raised to the 35/100 power.

(c) Multiply the result in paragraph (b) by the district's contract transportation index raised to the 1/20 power.

Sec. 7. Minnesota Statutes 1992, section 124.225, subdivision 7b, is amended to read:

Subd. 7b. [INFLATION FACTORS.] The adjusted predicted base cost determined for a district under subdivision 7a for the base year must be increased by ~~4.0~~ 2.35 percent to determine the district's regular transportation allowance for the ~~1991-1992~~ 1993-1994 school year and by ~~2.0~~ 3.425 percent to determine the district's regular transportation allowance for the ~~1992-1993~~ 1994-1995 school year, but the regular transportation allowance for a district cannot be less than the district's minimum regular transportation allowance according to Minnesota Statutes 1990, section 124.225, subdivision 1, paragraph (t).

Sec. 8. Minnesota Statutes 1992, section 124.225, subdivision 7d, is amended to read:

Subd. 7d. [TRANSPORTATION REVENUE.] Transportation revenue for each district equals the sum of the district's regular transportation revenue and the district's nonregular transportation revenue.

(a) The regular transportation revenue for each district equals the district's regular transportation allowance according to subdivision 7b times the sum of the number of FTE's transported by the district in the regular, desegregation, and handicapped categories in the current school year.

~~(b) The nonregular transportation revenue for each district for the 1991-1992 school year equals the lesser of the district's actual costs in the 1991-1992 school year for nonregular transportation services or the product of the district's actual cost in the 1990-1991 school year for nonregular transportation services as defined for the 1991-1992 school year in subdivision 1, paragraph (c), times the ratio of the district's average daily membership for the 1991-1992 school year to the district's average daily membership for the 1990-1991 school year according to section 124.17, subdivision 2, times 1.03, minus the amount of regular transportation revenue attributable to FTE's transported in the desegregation and handicapped categories in the current school year, plus the excess nonregular transportation revenue for the 1991-1992 school year according to subdivision 7e.~~

(e) For the 1992-1993 and later school years, the nonregular transportation revenue for each district equals the lesser of the district's actual cost in the current school year for nonregular transportation services or the product of the district's actual cost in the base year for nonregular transportation services as defined for the current year in subdivision 1, paragraph (c), times the ratio of the district's average daily membership for the current year to the district's average daily membership for the base year according to section 124.17, subdivision 2, times the nonregular transportation inflation factor for the current year, minus the amount of regular transportation revenue attributable to FTE's transported in the desegregation and handicapped categories in the current school year, plus the excess nonregular transportation revenue for the current year according to subdivision 7e. The nonregular transportation inflation factor is 1.0435 for the 1992-1993 1993-1994 school year is 1.064 and 1.03425 for the 1994-1995 school year.

Sec. 9. Minnesota Statutes 1992, section 124.225, subdivision 7e, is amended to read:

Subd. 7e. [EXCESS NONREGULAR TRANSPORTATION REVENUE.] ~~(a) A district's excess nonregular transportation revenue for the 1991-1992 school year equals an amount equal to 80 percent of the difference between:~~

~~(1) the district's actual cost in the 1991-1992 school year for nonregular transportation services as defined for the 1991-1992 school year in subdivision 1, paragraph (c), and~~

~~(2) the product of the district's actual cost in the 1990-1991 school year for nonregular transportation services as defined for the 1991-1992 school year in subdivision 1, paragraph (c), times 1.15, times the ratio of the district's average daily membership for the 1991-1992 school year to the district's average daily membership for the 1990-1991 school year.~~

(b) A district's excess nonregular transportation revenue for the 1992-1993 school year and later school years equals an amount equal to 80 percent of the difference between:

(1) the district's actual cost in the current year for nonregular transportation services as defined for the current year in subdivision 1, paragraph (c), and

(2) the product of the district's actual cost in the base year for nonregular transportation services as defined for the current year in subdivision 1, paragraph (c), times 1.30, times the ratio of the district's average daily membership for the current year to the district's average daily membership for the base year.

~~(c) The state total excess nonregular transportation revenue must not exceed \$2,000,000 for the 1991-1992 school year and \$2,000,000 for the 1992-1993 school year. If the state total revenue according to paragraph (a) or (b) exceeds the limit set in this paragraph, the excess nonregular transportation revenue for each district equals the district's revenue according to paragraph (a) or (b), times the ratio of the limitation set in this paragraph to the state total revenue according to paragraph (a) or (b).~~

Sec. 10. Minnesota Statutes 1992, section 124.226, subdivision 3, is amended to read:

Subd. 3. [OFF-FORMULA ADJUSTMENT.] In a district if the basic transportation levy under subdivision 1 attributable to that fiscal year is more than the difference between (1) the district's transportation revenue under section 124.225, subdivision 7d, and (2) the sum of the district's maximum nonregular levy under subdivision 4 and the district's 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 transportation levy in the second year following each fiscal year must be reduced by the difference between the amount of the excess and the amount of the aid reduction for the same fiscal year according to subdivision 3a.

Sec. 11. Minnesota Statutes 1992, section 124.226, is amended by adding a subdivision to read:

Subd. 3a. [TRANSPORTATION LEVY EQUITY.] (a) If a district's basic transportation levy for a fiscal year is adjusted according to subdivision 3, an amount must be deducted from the state payments that are authorized in chapter 273 and that are receivable for the same fiscal year. The amount of the deduction equals the difference between:

(1) the district's transportation revenue under section 124.225, subdivision 7d; and

(2) the sum of the district's maximum basic transportation levy under subdivision 1, the district's maximum nonregular levy under subdivision 4, the district's maximum excess transportation levy under subdivision 5, the district's 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.

(b) Notwithstanding paragraph (a), for fiscal year 1995, the amount of the deduction is one-fourth of the difference between clauses (1) and (2); for fiscal year 1996, the amount of the deduction is one-half of the difference between clauses (1) and (2); and for fiscal year 1997, the amount of the deduction is three-fourths of the difference between clauses (1) and (2).

(c) The amount of the deduction in any fiscal year must not exceed the amount of state payments that are authorized in chapter 273 and that are receivable for the same fiscal year in the district's transportation fund.

Sec. 12. Minnesota Statutes 1992, section 124.226, subdivision 9, is amended to read:

Subd. 9. [LATE ACTIVITY BUSES.] (a) A school district may levy an amount equal to the lesser of:

(1) the actual cost of late transportation home from school, between schools within a district, or between schools in one or more districts that have an agreement under sections 122.241 to 122.248, 122.535, 122.541, or 124.494, for pupils involved in after school activities for the school year beginning in the year the levy is certified; or

(2) two percent of the district's regular transportation revenue for that school year according to section 124.225, subdivision 7d, paragraph (a).

(b) A district that levies under this section must provide late transportation home from school for students participating in any academic-related activities provided by the district if transportation is provided for students participating in athletic activities.

~~(c) A district may levy under this subdivision only if the district provided late transportation home from school during fiscal year 1991.~~

Sec. 13. Laws 1991, chapter 265, article 2, section 19, subdivision 2, is amended to read:

Subd. 2. [TRANSPORTATION AID.] For transportation aid according to Minnesota Statutes, section 124.225:

\$116,340,000	.....	1992
\$123,133,000	.....	1993

The 1992 appropriation includes \$17,679,000 for 1991 and \$98,661,000 for 1992.

The 1993 appropriation includes \$17,146,000 for 1992 and \$105,987,000 for 1993.

~~\$1,500,000~~ ~~\$2,000,000~~ in fiscal year 1992 and ~~\$1,000,000~~ ~~\$500,000~~ in fiscal year 1993 are for desegregation costs not funded in the regular or nonregular transportation formulas. The department shall allocate these amounts in proportion to the unfunded desegregation costs. Any excess of the 1992 amount is not available for transfer under Minnesota Statutes, section 124.14, subdivision 7 and is available for unfunded desegregation costs in 1993.

In fiscal year 1992, only, for purposes of this subdivision, "desegregation costs" means all expenditures for desegregation transportation as defined in Minnesota Statutes, section 124.225, subdivision 1, paragraph (c), clause (4), for which aid is authorized in Minnesota Statutes, section 124.223, plus an amount equal to one year's depreciation, computed according to Minnesota Statutes, section 124.225, subdivision 1, paragraph (b), clauses (2), (3), and (4), on district school buses used primarily for desegregation transportation.

## Sec. 14. [ADDITIONAL LATE ACTIVITY LEVY.]

A school district that is eligible to certify a levy under section 12 and was not eligible to certify a levy in 1992 under Minnesota Statutes, section 124.226, subdivision 9, may certify an additional amount in 1993 for taxes payable in 1994 equal to the amount it would have been authorized to certify in 1992 for taxes payable in 1993 had it been eligible. A levy authorized under this section must be recognized according to Minnesota Statutes, section 124.918, subdivision 6.

## Sec. 15. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [TRANSPORTATION AID.] For transportation aid according to Minnesota Statutes, section 124.225:

<u>\$127,889,000</u>	.....	<u>1994</u>
<u>\$141,658,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$18,327,000 for 1993 and \$108,706,000 for 1994.

The 1995 appropriation includes \$19,183,000 for 1994 and \$120,410,000 for 1995.

Subd. 3. [TRANSPORTATION AID FOR POST-SECONDARY ENROLLMENT OPTIONS.] For transportation of pupils attending post-secondary institutions according to Minnesota Statutes, section 123.3514:

<u>\$52,000</u>	.....	<u>1994</u>
<u>\$58,000</u>	.....	<u>1995</u>

Subd. 4. [TRANSPORTATION AID FOR ENROLLMENT OPTIONS.] For transportation of pupils attending nonresident districts according to Minnesota Statutes, section 120.0621:

<u>\$15,000</u>	.....	<u>1994</u>
<u>\$19,000</u>	.....	<u>1995</u>

Subd. 5. [TRANSFER AUTHORITY.] If the appropriation in subdivision 3 or 4 for either year exceeds the amount needed to pay the state's obligation for that year under that subdivision, the excess amount may be used to make payments for that year under the other subdivision.

## Sec. 16. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

Sections 10 and 11 are effective July 1, 1994.

Sections 12 and 14 are effective for levies certified in 1993 for taxes payable in 1994.

Section 13 is effective for fiscal years 1992 and 1993 only.

## ARTICLE 3

## SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1992, section 120.17, subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] (a) Special instruction and services for children with a disability must be based on the assessment and individual education plan. The instruction and services may be provided by one or more of the following methods:

(1) in connection with attending regular elementary and secondary school classes;

- (2) establishment of special classes;
- (3) at the home or bedside of the child;
- (4) in other districts;
- (5) instruction and services by special education cooperative centers established under this section, or in another member district of the cooperative center to which the resident district of the child with a disability belongs;
- (6) in a state residential school or a school department of a state institution approved by the commissioner;
- (7) in other states;
- (8) by contracting with public, private or voluntary agencies;
- (9) for children under age five and their families, programs and services established through collaborative efforts with other agencies;
- (10) for children under age five and their families, programs in which children with a disability are served with children without a disability; and
- (11) any other method approved by the commissioner.

(b) Preference shall be given to providing special instruction and services to children under age three and their families in the residence of the child with the parent or primary caregiver, or both, present.

(c) The primary responsibility for the education of a child with a disability shall remain with the district of the child's residence regardless of which method of providing special instruction and services is used. If a district other than a child's district of residence provides special instruction and services to the child, then the district providing the special instruction and services shall notify the child's district of residence before the child's individual education plan is developed and shall provide the district of residence an opportunity to participate in the plan's development. The district of residence must inform the parents of the child about the methods of instruction that are available.

(d) Paragraphs (e) to (i) may be cited as the "blind persons' literacy rights and education act."

(e) The following definitions apply to paragraphs (f) to (i).

"Blind student" means an individual who is eligible for special educational services and who:

- (1) has a visual acuity of 20/200 or less in the better eye with correcting lenses or has a limited field of vision such that the widest diameter subtends an angular distance of no greater than 20 degrees; or
- (2) has a medically indicated expectation of visual deterioration.

"Braille" means the system of reading and writing through touch commonly known as standard English Braille.

"Individualized education plan" means a written statement developed for a student eligible for special education and services pursuant to this section and section 602(a)(20) of part A of the Individuals with Disabilities Education Act, United States Code, title 20, section 1401(a).

(f) In developing an individualized education plan for each blind student the presumption must be that proficiency in Braille reading and writing is essential for the student to achieve satisfactory educational progress. The assessment required for each student must include a Braille skills inventory, including a statement of strengths and deficits. Braille instruction and use are not required by this paragraph if, in the course of developing the student's individualized education program, team members concur that the student's visual impairment does not affect reading and writing performance commensurate with ability. This paragraph does not require the exclusive use of Braille if other special education services are appropriate to the student's educational needs. The provision of other appropriate services does not preclude Braille use or instruction. Instruction in Braille reading and writing shall be available for each blind student for whom the multidisciplinary team has determined that reading and writing is appropriate.

(g) Instruction in Braille reading and writing must be sufficient to enable each blind student to communicate effectively and efficiently with the same level of proficiency expected of the student's peers of comparable ability and grade level.

(h) The student's individualized education plan must specify:

- (1) the results obtained from the assessment required under paragraph (f);
- (2) how Braille will be implemented through integration with other classroom activities;
- (3) the date on which Braille instruction will begin;
- (4) the length of the period of instruction and the frequency and duration of each instructional session;
- (5) the level of competency in Braille reading and writing to be achieved by the end of the period and the objective assessment measures to be used; and

(6) if a decision has been made under paragraph (f) that Braille instruction or use is not required for the student:

(i) a statement that the decision was reached after a review of pertinent literature describing the educational benefits of Braille instruction and use; and

(ii) a specification of the evidence used to determine that the student's ability to read and write effectively without Braille is not impaired.

(i) Instruction in Braille reading and writing is a service for the purpose of special education and services under this section.

(j) Paragraphs (e) to (i) shall not be construed to supersede any rights of a parent or guardian of a child with a disability under federal or state law.

Sec. 2. Minnesota Statutes 1992, section 120.17, subdivision 3, is amended to read:

Subd. 3. [RULES OF THE STATE BOARD.] The state board shall promulgate rules relative to qualifications of essential personnel, courses of study, methods of instruction, pupil eligibility, size of classes, rooms, equipment, supervision, parent consultation, and any other rules it deems necessary for instruction of children with a disability. These rules shall provide standards and procedures appropriate for the implementation of and within the limitations of subdivisions 3a and 3b. These rules shall also provide standards for the discipline, control, management and protection of children with a disability. The state board shall not adopt rules for pupils served in level 1, 2, or 3, as defined in Minnesota Rules, part 3525.2340, establishing either case loads or the maximum number of pupils that may be assigned to special education teachers. The state board, in consultation with the departments of health and human services, shall adopt permanent rules for instruction and services for children under age five and their families. These rules are binding on state and local education, health, and human services agencies. The state board shall adopt rules to determine eligibility for special education services. The rules shall include procedures and standards by which to grant variances for experimental eligibility criteria. The state board shall, according to section 14.05, subdivision 4, notify a district applying for a variance from the rules within 45 calendar days of receiving the request whether the request for the variance has been granted or denied. If a request is denied, the board shall specify the program standards used to evaluate the request and the reasons for denying the request.

Sec. 3. Minnesota Statutes 1992, section 120.17, subdivision 11a, is amended to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of at least ~~15 members~~ 17, but not more than 25 members is established, in compliance with Public Law Number 102-119, section 682. The members shall be appointed by the governor. Council members shall elect the council chair. The representative of the commissioner of education may not serve as the chair. The council shall be composed of at least five parents, including persons of color, of children with disabilities under age 12, including at least three parents of a child with a disability under age seven, ~~three~~ five representatives of public or private providers of services for children with disabilities under age five, including a special education director, county social service director, and a community health services or public health nursing administrator, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education or

other preparation programs in early childhood intervention, at least one representative of advocacy organizations for children with disabilities under age five, one physician who cares for young children with special health care needs, one representative each from the commissioners of commerce, education, health, human services, and jobs and training, and a representative from Indian health services or a tribal council. Section 15.059, subdivisions 2 to 5, apply to the council. The council shall meet at least quarterly.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for children with disabilities and their families.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for children under age five with disabilities and their families. The policies must address how to incorporate each agency's services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

Each year by June 1, the council shall recommend to the governor and the commissioners of education, health, human services, commerce, and jobs and training policies for a comprehensive and coordinated system.

Sec. 4. Minnesota Statutes 1992, section 120.17, subdivision 11b, is amended to read:

Subd. 11b. [RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL DISTRICTS BOARDS.] It is the joint responsibility of county boards and school districts boards to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services for children eligible under section 120.03 must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. The services provided must be in conformity with an individual family service plan (IFSP) as defined in code of federal regulations, title 34, sections 303.340, 303.341a, and 303.344 for each eligible infant and toddler from birth through age two and its family, or an individual education plan (IEP) or individual service plan (ISP) for each eligible child ages three through four. County boards and school boards shall not be required to provide any services under an individual family service plan that are not required in an individual education plan or individual service plan. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, special instruction, case management including service coordination, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable children with disabilities to benefit from early intervention services. ~~School districts must be the primary agency in this cooperative effort.~~ County and school boards shall jointly determine the primary agency in this cooperative effort and must notify the commissioner of education of their decision.

Sec. 5. Minnesota Statutes 1992, section 120.17, subdivision 12, is amended to read:

Subd. 12. [INTERAGENCY EARLY INTERVENTION ~~COMMITTEE~~ COMMITTEES.] (a) A school district, group of districts, or special education cooperative, in cooperation with the health and human service agencies located in the county or counties in which the district or cooperative is located, shall establish an interagency early intervention committee for children with ~~a disability~~ disabilities under age five and their families. ~~Members of the committee~~ Committees shall be include representatives of local and regional health, education, and county human service agencies; county boards; school boards; early childhood family education programs; parents of young children with disabilities under age twelve; current service providers; ~~parents of young children with a disability~~; and may also include representatives from other private or public agencies. The committee shall elect a chair from among its members and shall meet at least quarterly.

(b) The committee shall ~~perform~~ develop and implement interagency policies and procedures concerning the following ongoing duties:

(1) ~~identify current services and funding being provided within the community for children with a disability under the age of five and their families~~ develop public awareness systems designed to inform potential recipient families of available programs and services;

(2) implement interagency child find systems designed to actively seek out, identify, and refer infants and young children with, or at risk of, disabilities and their families;

(3) establish and evaluate the identification, referral, child and family assessment systems, procedural safeguard process, and community learning systems to recommend, where necessary, alterations and improvements;

(3) facilitate (4) assure the development of individualized family service plans for all eligible infants and toddlers with disabilities from birth through age two, and their families, and individual education plans and individual service plans when necessary to appropriately serve children with a disability under the age of five disabilities, age three and older, and their families and recommend assignment of financial responsibilities to the appropriate agencies. Agencies are encouraged to develop individual family service plans for children with disabilities, age three and older;

(4) (5) implement a process for assuring that services involve cooperating agencies at all steps leading to individualized programs;

(5) review and comment on the early intervention section of the total special education system for the district and the county social services plan; and

(6) facilitate the development of a transitional plan if a service provider is not recommended to continue to provide services;

(7) identify the current services and funding being provided within the community for children with disabilities under age five and their families; and

(8) develop a plan for the allocation and expenditure of additional state and federal early intervention funds under United States Code, title 20, section 1471 et seq. (Part H, Public Law Number 102-119) and United States Code, title 20, section 631, et seq. (Chapter I, Public Law Number 89-313).

(c) The local committee shall also:

(1) participate in needs assessments and program planning activities conducted by local social service, health and education agencies for young children with disabilities and their families;

(2) review and comment on the early intervention section of the total special education system for the district, the county social service plan, the section or sections of the community health services plan that address needs of and service activities targeted to children with special health care needs, and the section of the maternal and child health special project grants that address needs of and service activities targeted to children with chronic illness and disabilities; and

(3) prepare a yearly summary on the progress of the community in serving young children with disabilities, and their families, including the expenditure of funds, the identification of unmet service needs identified on the individual family services plan and other individualized plans, and local, state, and federal policies impeding the implementation of this section.

(d) The summary must be organized following a format prescribed by the commissioner of education and must be submitted to each of the local agencies and to the state interagency coordinating council by October 1 of each year.

The departments of education, health, and human services ~~are encouraged to~~ must provide assistance to the local agencies in developing cooperative plans for providing services.

Sec. 6. Minnesota Statutes 1992, section 120.17, subdivision 14, is amended to read:

Subd. 14. [MAINTENANCE OF EFFORT.] A county human services agency or county board shall continue to provide services set forth in their county social service agency plan ~~for~~. The county human services agency or county board shall serve children with ~~a disability~~ disabilities under age five, and their families, or as specified in the individualized family service plan for children with disabilities, birth through age two, or the individual service plan of each child. Special instruction and related services for which a child with a disability is eligible under this section ~~are not~~ are the responsibility of the local ~~human services agency or county~~ school board. It is the joint responsibility of county boards and school ~~districts~~ boards to coordinate, provide, and pay for all appropriate services ~~not~~ required ~~under this section in subdivision 11b~~ and to facilitate payment for services from public and private sources. ~~School districts and counties are encouraged to enter into agreements to cooperatively serve and provide funding for children with a disability under age five and their families.~~

Sec. 7. Minnesota Statutes 1992, section 120.17, is amended by adding a subdivision to read:

Subd. 14a. [LOCAL INTERAGENCY AGREEMENTS.] School boards and the county board may enter into agreements to cooperatively serve and provide funding for children with disabilities, under age five, and their families within a specified geographic area.

The local interagency agreement must address, at a minimum, the following issues:

(1) responsibilities of local agencies on local interagency early intervention committees (IEIC's), consistent with subdivision 12;

(2) assignment of financial responsibility for early intervention services;

(3) methods to resolve intra-agency and interagency disputes;

(4) identification of current resources and recommendations about the allocation of additional state and federal early intervention funds under the auspices of United States Code, title 20, section 1471 et seq. (Part H, Public Law Number 102-119) and United State Code, title 20, section 631, et seq. (Chapter I, Public Law Number 89-313);

(5) data collection; and

(6) other components of the local early intervention system consistent with Public Law Number 102-119.

Sec. 8. Minnesota Statutes 1992, section 120.17, subdivision 15, is amended to read:

Subd. 15. [THIRD PARTY PAYMENT.] Nothing in this section relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability, and the child's family.

Sec. 9. Minnesota Statutes 1992, section 120.17, is amended by adding a subdivision to read:

Subd. 18. [STATE INTERAGENCY AGREEMENT.] (a) The commissioners of the departments of education, health, and human services shall enter into an agreement to implement this section and Part H, Public Law Number 102-119, and as required by Code of Federal Regulations, title 34, section 303.523, to promote the development and implementation of interagency, coordinated, multidisciplinary state and local early childhood intervention service systems for serving eligible young children with disabilities, birth through age two, and their families. The agreement must be reviewed annually.

(b) The state interagency agreement shall outline at a minimum the conditions, procedures, purposes, and responsibilities of the participating state and local agencies for the following:

(1) membership, roles, and responsibilities of a state interagency committee for the oversight of priorities and budget allocations under Part H, Public Law Number 102-119, and other state allocations for this program;

(2) child find;

(3) establishment of local interagency agreements;

(4) review by a state interagency committee of the allocation of additional state and federal early intervention funds by local agencies;

(5) fiscal responsibilities of the state and local agencies;

(6) intra-agency and interagency dispute resolution;

(7) payor of last resort;

(8) maintenance of effort;

(9) procedural safeguards, including mediation;

(10) complaint resolution;

(11) quality assurance;

(12) data collection; and

(13) other components of the state and local early intervention system consistent with Public Law Number 102-119.

Written materials must be developed for parents, IEIC's, and local service providers that describe procedures developed under this section as required by Code of Federal Regulations, title 34, section 303.

Sec. 10. Minnesota Statutes 1992, 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 pupil with a disability as defined in section 120.03,~~ attending a nonresident district under sections 120.062, 120.075, 120.0751, 120.0752, 124C.45 to 124C.48, and 126.22. The adjustments must be made according to this subdivision.

(a) 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) Aid paid to a district serving nonresidents 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 aid of a district is greater than the amount of aid otherwise due the district, the excess reduction must be made from other state aids due the district.

Sec. 11. Minnesota Statutes 1992, section 124.273, subdivision 1b, is amended to read:

Subd. 1b. [TEACHERS SALARIES.] Each year the state shall pay a school district a portion of the salary of one full-time equivalent teacher for each ~~45~~ 40 pupils of limited English proficiency enrolled in the district. Notwithstanding the foregoing, the state shall pay a portion of the salary of one-half of a full-time equivalent teacher to a district with ~~22~~ 20 or fewer pupils of limited English proficiency enrolled. The portion for a full-time teacher shall be the lesser of 55.2 percent of the salary or \$15,320. The portion for a part-time or limited-time teacher shall be the lesser of 55.2 percent of the salary or the product of \$15,320 times the ratio of the person's actual employment to full-time employment. For the purposes of this subdivision, a teacher includes nonlicensed personnel who provide direct instruction to students of limited English proficiency under the supervision of a licensed teacher.

Sec. 12. Minnesota Statutes 1992, section 124.273, is amended by adding a subdivision to read:

Subd. 2c. [SUPPLY AND EQUIPMENT AID.] Each year the state shall pay a school district for supplies and equipment purchased or rented for use in the instruction of pupils of limited English proficiency an amount equal to 47 percent of the sum actually spent by the district but not to exceed an average of \$47 in any one school year for each pupil of limited English proficiency receiving instruction.

Sec. 13. Minnesota Statutes 1992, section 124.32, subdivision 1b, is amended to read:

Subd. 1b. [TEACHERS SALARIES.] (a) Each year the state shall pay to a district a portion of the salary of each essential person employed in the district's program for children with a disability during the regular school year, whether the person is employed by one or more districts. The state shall also pay to the Minnesota state academy for the deaf or the Minnesota state academy for the blind a part of the salary of each instructional aide assigned to a child attending the academy, if that aide is required by the child's individual education plan.

~~(b) For the 1991-1992 school year, the portion for a full-time person shall be an amount not to exceed the lesser of 56.4 percent of the salary or \$15,700. The portion for a part-time or limited-time person shall be an amount not to exceed the lesser of 56.4 percent of the salary or the product of \$15,700 times the ratio of the person's actual employment to full-time employment.~~

(e) For the 1992-1993 school year and thereafter, the portion for a full-time person is an amount not to exceed the lesser of 55.2 percent of the salary or \$15,320. The portion for a part-time or limited-time person is an amount not to exceed the lesser of 55.2 percent of the salary or the product of \$15,320 times the ratio of the person's actual employment to full-time employment.

Sec. 14. Minnesota Statutes 1992, section 124.32, subdivision 1d, is amended to read:

Subd. 1d. [CONTRACT SERVICES.] For special instruction and services provided to any pupil by contracting with public, private, or voluntary agencies other than school districts, in place of special instruction and services provided by the district, the state shall pay each district 52 percent of the difference between the amount of the contract and the basic revenue of the district for that pupil for the amount of time fraction of the school day the pupil receives services under the contract. For special instruction and services provided to any pupil by contracting for services with public, private, or voluntary agencies other than school districts, that are supplementary to a full educational program provided by the school district, the state shall pay each district 52 percent of the amount of the contract for that pupil.

Sec. 15. Minnesota Statutes 1992, section 124.32, is amended by adding a subdivision to read:

Subd. 1f. [ESSENTIAL PERSONNEL.] For the purposes of this section and section 124.321, essential personnel means teachers, related services and support services staff providing direct services to students.

Sec. 16. Minnesota Statutes 1992, section 124.32, is amended by adding a subdivision to read:

Subd. 12. [ALLOCATION FROM COOPERATIVE CENTERS AND INTERMEDIATE DISTRICTS.] For purposes of this section, a special education cooperative or an intermediate district shall allocate its approved expenditures for special education programs among participating school districts. Special education aid for services provided by a cooperative or intermediate district shall be paid to the participating school districts.

Sec. 17. Minnesota Statutes 1992, section 124.321, subdivision 1, is amended to read:

Subdivision 1. [LEVY EQUALIZATION REVENUE.] Special education levy equalization revenue for a school district, excluding an intermediate school district, equals the sum of the following amounts:

(1) ~~66~~ 68 percent of the salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these essential personnel under section 124.32, subdivisions 1b and 10, for the year to which the levy is attributable, plus

(2) ~~66~~ 68 percent of the salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of those essential personnel under section 124.574, subdivision 2b, for the year to which the levy is attributable, plus

(3) ~~64~~ 68 percent of the salaries paid to limited English proficiency program teachers in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these teachers under section 124.273, subdivision 1b, for the year to which the levy is attributable, plus

(4) the alternative delivery levy revenue determined according to section ~~124.321~~ 124.322, subdivision 4, plus

(5) the amount allocated to the district by special education cooperatives or intermediate districts in which it participates according to subdivision 2.

A district that receives alternative delivery levy revenue according to section 124.322, subdivision 4, shall not receive levy equalization revenue under clause (1) or subdivision 2, clause (1), for the same fiscal year.

Sec. 18. Minnesota Statutes 1992, section 124.321, subdivision 2, is amended to read:

Subd. 2. [REVENUE ALLOCATION FROM COOPERATIVES AND INTERMEDIATE DISTRICTS.] (a) For purposes of this section, a special education cooperative or an intermediate district shall allocate to participating school districts the sum of the following amounts:

(1) ~~66~~ 68 percent of the salaries paid to essential personnel in that cooperative or intermediate district minus the amount of ~~state aid~~ and any federal aid, if applicable, paid to that cooperative or intermediate district for salaries of these essential personnel under section 124.32, subdivisions 1b and 10, for the year to which the levy is attributable, plus

(2) ~~66~~ 68 percent of the salaries paid to essential personnel in that district minus the amount of ~~state aid and~~ any federal aid, if applicable, paid to that district for salaries of those essential personnel under section 124.574, subdivision 2b, for the year to which the levy is attributable, plus

(3) ~~61~~ 68 percent of the salaries paid to limited English proficiency program teachers in that cooperative or intermediate district minus the amount of ~~state aid and~~ any federal aid, if applicable, paid to that cooperative or intermediate district for salaries of these teachers under section 124.273, subdivision 1b, for the year to which the levy is attributable.

(b) A special education cooperative or an intermediate district that allocates amounts to participating school districts under this subdivision must report the amounts allocated to the department of education.

(c) For purposes of this subdivision, the Minnesota state academy for the deaf or the Minnesota state academy for the blind each year shall allocate an amount equal to ~~66~~ 68 percent of salaries paid to instructional aides in either academy minus the amount of state aid and any federal aid, if applicable, paid to either academy for salaries of these instructional aides under sections 124.32, subdivisions 1b and 10, for the year to each school district that assigns a child with an individual education plan requiring an instructional aide to attend either academy. The school districts that assign a child who requires an instructional aide may make a levy in the amount of the costs allocated to them by either academy.

(d) When the Minnesota state academy for the deaf or the Minnesota state academy for the blind allocates unreimbursed portions of salaries of instructional aides among school districts that assign a child who requires an instructional aide, for purposes of the districts making a levy under this subdivision, the academy shall provide information to the department of education on the amount of unreimbursed costs of salaries it allocated to the school districts that assign a child who requires an instructional aide.

Sec. 19. Minnesota Statutes 1992, section 124.322, is amended by adding a subdivision to read:

Subd. 1a. [DEFINITIONS.] In this section, the definitions in this subdivision apply.

(a) "Base revenue" means the following:

(1) for the first fiscal year after approval of the district's application, base revenue means the sum of the district's revenue for the preceding fiscal year for its special education program under sections 124.32, subdivisions 1b, 1d, 2, 5, and 10, and 124.321, subdivision 1;

(2) for the second fiscal year after approval of a district's application, base revenue means the sum of the district's revenue for the second prior fiscal year for its special education program under sections 124.32, subdivisions 1b, 1d, 2, 5, and 10, and 124.321, subdivision 1; and

(3) for the third fiscal year after approval of a district's application, and thereafter, base revenue means the sum of the revenue a district would have been entitled to in the second prior fiscal year for its special education program under sections 124.32, subdivisions 1b, 1d, 2, 5, and 10, and 124.321, subdivision 1, based on activities defined as reimbursable under state board rules for special education and nonspecial education students, and additional activities as detailed and approved by the commissioner of education.

(b) "Base aid" means the following:

(1) for the first fiscal year after approval of a district's application, base aid means the sum of the district's gross aid for the preceding fiscal year for its special education program under section 124.32, subdivisions 1b, 1d, 2, 5, and 10;

(2) for the second fiscal year after approval of a district's application, base aid means the sum of the district's gross aid for the second prior fiscal year for its special education program under section 124.32, subdivisions 1b, 1d, 2, 5, and 10; and

(3) for the third fiscal year after approval of a district's application and thereafter, base aid means the sum of the gross aid the district would have been entitled to in the second prior fiscal year for its special education program under section 124.32, subdivisions 1b, 1d, 2, 5, and 10, based on activities defined as reimbursable under state board of education rules for special education and nonspecial education students, and additional activities as detailed and approved by the commissioner of education in the application plan.

(c) Notwithstanding paragraphs (a) and (b), base revenue and base aid for 1995 and later fiscal years must not include revenue and aid under section 124.32, subdivision 5.

(d) "Alternative delivery revenue inflator" means:

(1) For the first fiscal year after approval of a district's application, the greater of 1.017 or the ratio of (i) the statewide average special education revenue under sections 124.32 and 124.321 per pupil in average daily membership for the current fiscal year, to (ii) the statewide average special education revenue per pupil in average daily membership for the previous fiscal year.

(2) For the second and later fiscal years, the greater of 1.034 or the ratio of (i) the statewide average special education revenue under sections 124.32 and 124.321 per pupil in average daily membership for the current fiscal year, to (ii) the statewide average special education revenue per pupil in average daily membership for the second prior fiscal year.

(e) The commissioner of education shall adjust each district's base revenue and base aid to reflect any changes in special education services required by rule or statute.

Sec. 20. Minnesota Statutes 1992, section 124.322, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF ALTERNATIVE DELIVERY REVENUE.] ~~For the first fiscal year after approval of an application, a district shall receive the sum of the revenue it received for the preceding fiscal year for its special education program under section 124.32, subdivisions 1b, 2, 5, and 10, and Minnesota Statutes 1990, section 275.125, subdivision 8c, or section 124.321, subdivisions 1 and 2, as applicable, district's alternative delivery revenue equals its base revenue multiplied by 1.03 the product of the alternative delivery revenue inflator times the ratio of the district's average daily membership for the current fiscal year to the district's average daily membership for the immediately preceding fiscal year. For each of the next two fiscal years, the district shall receive the amount it received for the previous fiscal year multiplied by 1.03. For the second and later fiscal years a district's alternative delivery revenue equals its base revenue multiplied by the product of the alternative delivery revenue inflator times the ratio of the district's average daily membership for the current fiscal year to the district's average daily membership for the second preceding fiscal year.~~

Sec. 21. Minnesota Statutes 1992, section 124.322, subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE DELIVERY AID.] ~~For the first fiscal year after approval of an application, a district shall receive the sum of the aid it received for the preceding fiscal year under section 124.32, subdivisions 1b, 2, 5, and 10, district's alternative delivery aid equals its base aid multiplied by 1.03 the product of 1.017 times the ratio of the district's average daily membership for the current fiscal year to the district's average daily membership for the preceding fiscal year. For the second and later fiscal years a district's alternative delivery aid equals its base aid multiplied by the product of 1.034 times the ratio of the district's average daily membership for the current fiscal year to the district's average daily membership for the second preceding fiscal year. The aid for the first year of revenue shall not be prorated. For each of the next two fiscal years, the district shall receive the amount of aid it received for the previous fiscal year multiplied by 1.03. A district that receives aid under this subdivision shall not receive aid under section 124.32, subdivisions 1b, 1d, 2, 5, and 10, for the same fiscal year.~~

Sec. 22. Minnesota Statutes 1992, section 124.322, subdivision 4, is amended to read:

Subd. 4. [ALTERNATIVE DELIVERY LEVY REVENUE.] A district shall receive alternative delivery levy revenue equal to the difference between the alternative delivery revenue and the alternative delivery aid. If the alternative delivery aid for a district is prorated ~~for the second or third fiscal years~~, the alternative delivery levy revenue shall be increased by the amount not paid by the state due to proration. ~~For fiscal year 1993 and thereafter~~, The alternative delivery levy revenue shall be included under section 124.321, subdivision 1, for purposes of computing the special education levy under section 124.321, subdivision 3, and the special education levy equalization aid under section 124.321, subdivision 4.

Sec. 23. [124.323] [SPECIAL EDUCATION EXCESS COST AID.]

Subdivision 1. [DEFINITIONS.] In this section, the definitions in this subdivision apply.

(a) "Unreimbursed special education cost" means the sum of the following:

(1) expenditures for teachers' salaries, contracted services, supplies, and equipment eligible for revenue under sections 124.32, subdivisions 1b, 1d, 2, and 10, and 124.322, subdivision 2; plus

(2) expenditures for tuition bills received under section 120.17; minus

(3) revenue for teachers' salaries, contracted services, supplies, and equipment under sections 124.32, subdivisions 1b, 1d, 2, and 10; 124.321, subdivision 1, clause (1); and 124.322, subdivision 2; minus

(4) tuition receipts under section 120.17.

(b) "General revenue" means the sum of the general education revenue according to section 124A.22, subdivision 1, plus the total referendum revenue according to section 124A.03, subdivision 1e.

Subd. 2. [EXCESS COST AID.] For 1995 and later fiscal years, a district's special education excess cost aid equals the product of:

(1) 70 percent of the difference between (i) the district's unreimbursed special education cost per actual pupil unit and (ii) six percent of the district's general revenue per actual pupil unit, times

(2) the district's actual pupil units for that year.

Sec. 24. Minnesota Statutes 1992, section 124.573, subdivision 2b, is amended to read:

Subd. 2b. [SECONDARY VOCATIONAL AID.] A district's or cooperative center's "secondary vocational aid" for secondary vocational education programs for a fiscal year equals the sum of the following amounts for each program:

(a) the greater of zero, or 75 percent of the difference between:

(1) the salaries paid to essential, licensed personnel in that school year for services rendered in that program, and

(2) 50 percent of the general education revenue attributable to secondary pupils for the number of hours that the pupils are enrolled in that program; and

(b) 40 percent of approved expenditures for the following:

(1) salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year for services rendered in the district's approved secondary vocational education programs;

(2) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under subdivision 3a;

(2) (3) necessary travel between instructional sites by licensed secondary vocational education personnel;

(3) (4) necessary travel by licensed secondary vocational education personnel for vocational student organization activities held within the state for instructional purposes;

(4) (5) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(5) (6) necessary travel by licensed secondary vocational education personnel for noncollegiate credit bearing professional development; and

(6) (7) specialized vocational instructional supplies.

Sec. 25. Minnesota Statutes 1992, section 124.573, is amended by adding a subdivision to read:

Subd. 2e. [ALLOCATION FROM COOPERATIVE CENTERS AND INTERMEDIATE DISTRICTS.] For purposes of subdivision 2b, paragraph (b), a cooperative center or an intermediate district shall allocate its approved expenditures for secondary vocational education programs among participating school districts.

Sec. 26. Minnesota Statutes 1992, section 124.574, subdivision 2b, is amended to read:

Subd. 2b. [SALARIES.] (a) Each year the state shall pay to any district or cooperative center a portion of the salary of each essential licensed person who provides direct instructional services to students, employed during that fiscal year for services rendered in that district or center's district's secondary vocational education programs for children with a disability.

(a) For fiscal year 1992, the portion for a full-time person shall be an amount not to exceed the lesser of 56.4 percent of the salary or \$15,700. The portion for a part-time or limited-time person shall be the lesser of 56.4 percent of the salary or the product of \$15,700 times the ratio of the person's actual employment to full-time employment.

(b) For fiscal year 1993 and thereafter, the portion for a full-time person is an amount not to exceed the lesser of 55.2 percent of the salary or \$15,320. The portion for a part-time or limited-time person is the lesser of 55.2 percent of the salary or the product of \$15,320 times the ratio of the person's actual employment to full-time employment.

Sec. 27. Minnesota Statutes 1992, section 124.574, is amended by adding a subdivision to read:

Subd. 4a. [ADDITIONAL AID.] A school district may contract with another Minnesota school district or cooperative center for vocational evaluation services for children with a disability for children that are not yet enrolled in grade 12. The state shall pay the school district an amount equal to 52 percent of the amount of the contract for that pupil. The contracts must be approved by the commissioner.

Sec. 28. Minnesota Statutes 1992, section 124.574, is amended by adding a subdivision to read:

Subd. 9. [ALLOCATION FROM COOPERATIVE CENTERS AND INTERMEDIATE DISTRICTS.] For purposes of this section, a cooperative center or an intermediate district shall allocate its approved expenditures for secondary vocational programs for children with a disability among participating school districts. Aid for secondary vocational programs for children with a disability for services provided by a cooperative or intermediate district shall be paid to the participating school districts.

Sec. 29. Minnesota Statutes 1992, section 124A.036, subdivision 5, is amended to read:

Subd. 5. [ALTERNATIVE ATTENDANCE PROGRAMS.] The general education aid for districts must be adjusted for each pupil, excluding a pupil with a disability as defined in section 120.03 or a pupil without a disability as defined by section 120.181, attending a nonresident district under sections 120.062, 120.075, 120.0751, 120.0752, 124C.45 to 124C.48, and 126.22. The adjustments must be made according to this subdivision.

(a) General education aid paid to a resident district must be reduced by an amount equal to the general education revenue exclusive of compensatory revenue attributable to the pupil in the resident district.

(b) General education aid paid to a district serving a pupil in programs listed in this subdivision shall be increased by an amount equal to the general education revenue exclusive of compensatory revenue attributable to the pupil in the nonresident district.

(c) If the amount of the reduction to be made from the general education aid of the resident district is greater than the amount of general education aid otherwise due the district, the excess reduction must be made from other state aids due the district.

(d) The district of residence shall pay tuition to a district or an area learning center, operated according to paragraph (e), providing special instruction and services to a pupil with a disability, as defined in section 120.03, or a pupil, as defined in section 120.181, who is enrolled in a program listed in this subdivision. The tuition shall be equal to (1) the actual cost of providing special instruction and services to the pupil, including a proportionate amount for debt service and for capital expenditure facilities and equipment, and debt service but not including any amount for transportation, minus (2) the amount of general education aid, the amount of capital expenditure facilities aid and capital expenditure equipment aid received under section 124.245, subdivision 6, and special education aid, attributable to that pupil, that is received by the district providing special instruction and services.

(e) An area learning center operated by an educational cooperative service unit, intermediate district, education district, or a joint powers cooperative may elect through the action of the constituent boards to charge tuition for pupils rather than to calculate general education aid adjustments under paragraph (a), (b), or (c). The tuition must be equal to the greater of the average general education revenue per pupil unit attributable to the pupil, or the actual cost of providing the instruction, excluding transportation costs, if the pupil meets the requirements of section 120.03 or 120.181.

Sec. 30. Minnesota Statutes 1992, section 125.189, is amended to read:

125.189 [LICENSURE REQUIREMENTS.]

~~In addition to other requirements,~~ The board of teaching will review and determine appropriate licensure requirements for a candidate for a license or an applicant for a continuing license to teach hearing-impaired deaf and hard of hearing students in kindergarten prekindergarten through grade 12. In addition to other requirements, a candidate must demonstrate the minimum level of proficiency in American sign language as determined by the Quality Assurance Systems Project of the department of education board.

Sec. 31. Minnesota Statutes 1992, section 128B.10, subdivision 1, is amended to read:

Subdivision 1. [EXTENSION.] This chapter is repealed July 1, 1993 1995.

Sec. 32. [ASL GUIDELINES.]

(a) In determining appropriate licensure requirements for teachers of deaf and hard of hearing students under Minnesota Statutes, section 125.189, the board of teaching shall develop the requirements according to the guidelines described in this section.

(b) Each teacher must complete the American sign language sign communication proficiency interview or a comparable American sign language evaluation that the board of teaching, the Minnesota association of deaf citizens, and the Minnesota council for the hearing impaired accept as a means for establishing the teacher's baseline level of American sign language skills. A teacher shall not be charged for this evaluation.

(c) Each teacher must complete 60 continuing education credits in American sign language, American sign language linguistics, or deaf culture for every 120 continuing education credits the teacher is required to complete to renew a teaching license.

(d) As a condition of obtaining an initial license to teach deaf and hard of hearing students, a person must demonstrate in the sign communication proficiency interview an intermediate plus level of proficiency in American sign language.

(e) Each teacher applying to renew a teaching license and each teacher holding a teaching license from another state who wishes to apply for a Minnesota teaching license must take the American sign language sign communication proficiency interview or a comparable American sign language evaluation every five years until the teacher demonstrates a minimum, or survival plus, level of proficiency in American sign language.

(f) A teacher working directly with students whose primary language is American sign language should demonstrate at least an advanced level of proficiency in American sign language. The board should not consider a minimum, or survival plus, level of proficiency adequate for providing direct instruction to students whose primary language is American sign language.

(g) To renew a teaching license, a teacher must comply with paragraphs (c) and (e) in addition to other applicable board requirements. A teacher's ability to demonstrate a minimum, or survival plus, level of proficiency in American sign language is not a condition for renewing the teacher's license.

(h) A teacher who demonstrates an increased proficiency in American sign language skill in the American sign language sign communication proficiency interview or a comparable American sign language evaluation shall receive credit toward completing the requirements of paragraph (c). The number of continuing education credits the teacher receives is based on the teacher's increased level of proficiency from the teacher's baseline level:

(1) 35 continuing education credits for demonstrating an intermediate level of proficiency;

- (2) 40 continuing education credits for demonstrating an intermediate plus level of proficiency;
- (3) 45 continuing education credits for demonstrating an advanced level of proficiency;
- (4) 50 continuing education credits for demonstrating an advanced plus level of proficiency;
- (5) 55 continuing education credits for demonstrating a superior level of proficiency; and
- (6) 60 continuing education credits for demonstrating a superior plus level of proficiency.

Sec. 33. [DEVELOPING GREATER FLEXIBILITY IN DELIVERING SPECIAL EDUCATION SERVICES.]

Subdivision 1. [PURPOSE; AUTHORIZATION.] In an effort to change the overall emphasis in special education from complying with laws and rules to also improving educational opportunities for a wide range of students, including those who are disabled, those for whom English is a second language, and those with unique learning styles, a pilot project is established to permit independent school district No. 625, St. Paul, to develop and implement an integrated service model for delivering special education services and programs to eligible students under Minnesota Statutes, section 120.17, and alternative delivery of specialized instructional services under Minnesota Statutes, section 120.173. As part of the pilot project, the state board of education shall waive those state special education rules the district includes in its approved plan to implement the integrated service model if the district complies with the requirements in subdivision 2. In developing and implementing the integrated service model, the district must adhere to the intent of each rule for which it seeks a waiver and the procedural and substantive protections afforded eligible and low-performing students under law. Nothing in this section shall be construed to permit the waiver of any provision required under federal law.

Subd. 2. [PROJECT REQUIREMENTS.] (a) To participate in the pilot project, the district must:

(1) notify the commissioner of education, the state board of education, and the advisory council under paragraph (c) by June 15, 1993, of its intent to develop and implement an integrated service model for delivering special education services and programs to eligible and low-performing students that complies with all applicable federal rules and the outcomes of all state rules governing the delivery of special education;

(2) complete by November 30, 1993, with assistance from the commissioner as described in paragraph (b) and the advisory council in paragraph (c), a proposed plan for realizing an integrated service model, which includes a description of each applicable federal and state rule and the approach the district will use to effect that rule;

(3) include in the proposed plan measures to protect students' civil rights, provide equal educational opportunities, and prohibit discrimination as required under state and federal law;

(4) receive approval from the advisory council in paragraph (c) and the local school board for the proposed plan by December 31, 1993, and file a copy of the approved plan with the commissioner;

(5) begin in-service training of district personnel on February 1, 1994, to ensure that the district complies with all applicable federal regulations governing the delivery of special education; and

(6) implement the integrated service model beginning July 1, 1994.

(b) If the St. Paul school district indicates its intent to develop an integrated service model under paragraph (a), clause (1), the commissioner shall assist the district beginning August 1, 1993, in developing its plan to realize the integrated service model by:

(1) providing technical assistance through the state department of education; and

(2) using discretionary funds under Public Law Number 101-476 to contract for technical assistance as needed.

(c) The district must establish an advisory council for the pilot project that reflects the demographic composition of the district and is composed of members of existing special education-related committees, parents of eligible students with varying disabilities and of different ages enrolled in the district, one local representative of advocacy agencies, and district personnel affected by this section. Parents shall compose the majority of council members. The district must continuously consult with the advisory council on planning, delivering, and modifying the district's special education programs and services.

(d) The district shall not seek a variance to a special education rule from the state board of education under Minnesota Statutes, section 121.11, subdivision 12, during the term of the project. This prohibition does not include any rule waived under subdivision 1.

Subd. 3. [EVALUATION.] Upon implementing the integrated service model, the district, with technical assistance provided or contracted for by the commissioner, must annually evaluate the programmatic outcomes and financial efficiency of the model over at least a four-year period. The district must address in its evaluation the seven points listed in Minnesota Statutes, section 120.173, subdivision 3, and document parents' responses to the model. The district must submit to the education committees of the legislature a progress report by February 1, 1997, and a final report by February 1, 1999, on the efficacy of the model.

Sec. 34. [FISCAL REPORTS; AUTHORIZATION REQUIRED.]

(a) The commissioner of education shall contract with an independent consultant outside of state or local government for a study of the short- and long-term fiscal impact to state and local governments of providing a comprehensive and coordinated system of services to infants and young children with disabilities, from birth to age two, and their families under United States Code, title 20, sections 1471 through 1485. The commissioner shall submit a report on the results of the study to the education committees of the legislature by January 15, 1994. At a minimum, the study shall include an estimate of the number of infants and young children from birth to age two eligible for services through the year 2000; the estimated average cost for services per eligible child and the child's family; the anticipated total additional annual cost to state and local governments through the year 2000 of fully implementing year 5 services; the anticipated amount of additional federal early intervention funds available to the state under United States Code, title 20, section 1471 et. seq., and United States Code, title 20, section 631 et seq.; what definition of eligibility the education department proposes to adopt; what the major components affecting the costs of participation will be; the estimated costs of intake, evaluation, assessment, monitoring, and program planning through the year 2000 for a fully implemented year 5 program; the estimated costs of child find, public awareness, complaints and due process procedures, data management information systems, state level supervision and monitoring, interagency collaboration, local planning and coordination, technical assistance, personnel standards and development, and surrogate parent programs for a fully implemented year 5 program; and an inventory of current expenditures by county boards, school boards, and other local services providers for services provided under Minnesota Statutes, section 120.17, subdivision 11b, including social work, nursing, nutrition, vision, and transportation services, assistive technology, parent-to-parent support, and respite care. The cost of the contract shall not exceed \$75,000 and shall be paid for from revenue received from federal grants for regular special education central administration and state initiated discretionary projects.

(b) The state department of education may not apply to the secretary of education under United States Code, title 20, section 1471, et seq. (Part H, Public Law Number 102-119) to participate in the fifth or any succeeding fiscal year of the federal Part H program contained in the Individuals with Disabilities Education Act until specifically authorized by law to do so or until after April 1, 1994, whichever comes first.

Sec. 35. [TASK FORCE ON EDUCATION FOR CHILDREN WITH DISABILITIES.]

Subdivision 1. [ESTABLISHMENT.] A task force to review the state's special education rules is established to recommend to the legislature changes that can be made to simplify the rules while ensuring that the rules meet applicable federal requirements and support the state's interest in education outcomes.

Subd. 2. [MEMBERSHIP.] The task force on education for children with disabilities consists of 15 members appointed by the commissioner of education. The membership shall include parents of children with disabilities, students with disabilities, special education teachers and general education teachers, school administrators, special education directors, representatives of higher education, representatives of advocacy organizations for children with disabilities, and no more than one representative of state government. At least five members shall be parents of children with disabilities or representatives of advocacy groups. One member shall be a student with a disability.

Subd. 3. [DUTIES.] The task force established under subdivisions 1 and 2 shall review the educational needs of children with disabilities and the current system of services, including the state and federal regulatory scheme and associated costs, and recommend ways to remove barriers to effective education and improve measurable learner outcomes. The task force shall make recommendations to:

(1) reduce paperwork and other administrative burdens on classroom teachers to increase the amount of time they spend educating students;

(2) improve access to effective education for children with disabilities by increased coordination of special and general education services, including staff development programs;

(3) assure that education for children with disabilities is outcome-based while maintaining due process protections for students and their families;

(4) eliminate duplication in the regulatory scheme; and

(5) state the outcomes of the state's special education rules.

Subd. 4. [STAFF SUPPORT.] The department of education and any other state agency shall provide information and other assistance requested by the task force.

Subd. 5. [ADMINISTRATIVE RULES.] To accommodate the task force's review of the state's special education rules, and notwithstanding Minnesota Statutes, section 121.11, subdivision 12, or any other law to the contrary, the state board of education shall not adopt, amend, or repeal a special education rule until June 1, 1994, unless compelled by a newly enacted or adopted federal requirement.

Subd. 6. [REPORT.] The task force shall submit its recommendations for simplifying the state's special education rules to the education committees of the legislature by February 1, 1994.

Sec. 36. [ALTERNATIVE DELIVERY OF SPECIAL EDUCATION SERVICES AND PROGRAMS.]

Subdivision 1. [ESTABLISHMENT; PURPOSE; GOAL.] A three-year pilot project is established to permit 11 school districts and one rural special education cooperative selected by the commissioner of education to use an alternative process for delivering certain special education services and programs to eligible students under Minnesota Statutes, section 120.17. The purpose of the project is to explore, in a deliberate way, effective alternatives to the special education rules listed in subdivision 3 while adhering to the intent of the rules and the procedural and substantive protections afforded eligible students under law. The ultimate goal of the project is to improve the instructional services and educational outcomes and opportunities available to eligible students and the cost effectiveness of the services and programs. Nothing in this section shall be construed to permit the waiver of any provision required under federal law.

Subd. 2. [ELIGIBILITY; APPLICATIONS.] (a) The commissioner shall make application forms available to school districts interested in exploring effective alternatives for delivering certain special education services and programs as described in this section. Interested school districts must have their application to participate in the project approved by their local school board after a public hearing on the matter. Applications must be submitted to the commissioner by January 1, 1995. The application must describe how the applicant proposes to realize the purpose and goal of the project, including what activities and procedures the applicant proposes and whether the applicant seeks to be exempted from Minnesota Rules, part 3525.1341. The commissioner may require additional information of an applicant. The commissioner shall approve 12 applications before March 1, 1995. The commissioner shall ensure an equitable geographical distribution of project participants throughout the state.

(b) The commissioner shall make available to school districts interested in applying to participate in the project discretionary funds under Public Law Number 101-476 to allow the districts to cover the costs of convening their advisory council members under subdivision 6 to assist in developing an application under this subdivision.

Subd. 3. [EXEMPTIONS.] (a) All school districts participating in the project are exempt from the following special education rules through the 1997-1998 school year:

(1) Minnesota Rules, part 3525.1335;

(2) Minnesota Rules, part 3525.2335;

(3) Minnesota Rules, part 3525.2750; and

(4) Minnesota Rules, part 3525.2925, subparts 2, item B, 4, 5, 6, 7, and 9.

(b) After reviewing the applications of the district selected to participate in the project, the commissioner shall exempt six of the 12 project participants from Minnesota Rules, part 3525.1341.

(c) During the term of the project, participating school districts exempt from the rules listed in this subdivision must adhere to the intent of the rules and the procedural and substantive safeguards afforded eligible students under the law.

(d) School districts participating in the pilot projects shall not seek a variance to a special education rule from the state board of education under Minnesota Statutes, section 121.11, subdivision 12, during the term of the project. This prohibition does not include the rules listed in subdivision 3.

Subd. 4. [STUDENTS' RIGHTS.] School districts participating in the project must individually evaluate eligible students enrolled in the district to determine the students' levels of performance. Eligible students are entitled to the procedural protections provided under Public Law Number 101-476 in any matter that affects the students' identification, evaluation, placement, or change in placement, and protections provided under Minnesota Statutes, sections 127.26 to 127.39, in a dismissal proceeding that may result in students' suspension, exclusion, or expulsion. Participating school districts must ensure the protection of students' civil rights, provide equal educational opportunities, and prohibit discrimination. Failure to comply with this subdivision will at least cause a district to become ineligible to participate in the project.

Subd. 5. [TECHNICAL ASSISTANCE.] The commissioner, through the office of compliance and monitoring, shall provide technical assistance to the project participants. In addition, the commissioner shall use discretionary funds available under Public Law Number 101-476 to contract for technical assistance from an independent evaluator in the field of special education to assist project participants in developing and implementing a valid and uniform procedure to evaluate their alternative delivery process.

Subd. 6. [ADVISORY COMMITTEE.] Each project participant shall have an advisory council that reflects the demographic composition of the local community and is composed of members of existing special education-related committees, parents of eligible students with varying disabilities and of different ages enrolled in a participating district, one local representative of advocacy organizations, and district personnel in the field of special education who are potentially affected by the rule exemptions under subdivision 3. Participants that are exempt, or school districts seeking to be exempt under subdivision 2, paragraph (b), from Minnesota Rules, part 3525.1314, must include on the council either a parent of a student with a specific learning disability or a local representative of an organization that advocates on behalf of students with specific learning disabilities. Parents shall compose a majority of council members. The council shall advise the district on planning, delivering, and modifying special education programs and services under this section. The council must approve the district's application to participate in the project before it is submitted to the local school board for approval under subdivision 2. If a project participant is unable to have members of existing special education-related committees on the council, it shall include on the council additional parents of eligible students.

Subd. 7. [EVALUATION; REPORT.] (a) The commissioner shall use the discretionary funds available under Public Law Number 101-476 to contract with an independent evaluator for technical assistance to develop a uniform evaluation procedure for all participants to use to complete a formative and summative evaluation of their experiences in delivering special education services and programs under this section. Participants shall work with the independent evaluator to focus the evaluation on the overall efficacy of the alternative delivery process, including the extent to which the educational outcomes and opportunities of eligible students are improved. The evaluation must include a mechanism for documenting parents' responses to the project. Project participants shall each select one member of their advisory council to meet together periodically with the independent evaluator to evaluate the participants' progress. Project participants, in consultation with their advisory council, shall use the interim evaluations and the responses of affected parents to the alternative delivery process to modify the process where appropriate.

(b) Each project participant shall submit to the commissioner a progress report by September 1, 1996, and a final report by January 1, 1998, evaluating the cost effectiveness of the services and programs of its alternative delivery process. The commissioner shall compile the results of the reports to present to the education committees of the legislature by March 1, 1998. When presenting the reports, the commissioner, after consulting with the independent evaluator, shall recommend appropriate amendments to the rules listed in subdivision 3.

Sec. 37. [REALLOCATION.]

Any funds saved through the flexibility in special education service delivery authorized by this article must be reallocated by the district for the benefit of students with special education needs in the district.

## Sec. 38. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund or other named fund to the department of education for the fiscal years designated.

Subd. 2. [SPECIAL EDUCATION AID.] For special education aid according to Minnesota Statutes, section 124.32:

<u>\$176,257,000</u>	.....	<u>1994</u>
<u>\$186,649,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$25,087,000 for 1993 and \$151,170,000 for 1994.

The 1995 appropriation includes \$26,677,000 for 1994 and \$159,972,000 for 1995.

Subd. 3. [SPECIAL PUPIL AID.] For special education aid according to Minnesota Statutes, section 124.32, subdivision 6, for pupils with handicaps placed in residential facilities within the district boundaries for whom no district of residence can be determined:

<u>\$318,000</u>	.....	<u>1994</u>
<u>\$337,000</u>	.....	<u>1995</u>

If the appropriation for either year is insufficient, the appropriation for the other year is available. If the appropriations for both years are insufficient, the appropriation for special education aid may be used to meet the special pupil obligations.

Subd. 4. [SUMMER SPECIAL EDUCATION AID.] For special education summer program aid according to Minnesota Statutes, section 124.32, subdivision 10:

<u>\$4,472,000</u>	.....	<u>1994</u>
<u>\$4,530,000</u>	.....	<u>1995</u>

The 1994 appropriation is for 1993 summer programs.

The 1995 appropriation is for 1994 summer programs.

Subd. 5. [TRAVEL FOR HOME-BASED SERVICES.] For aid for teacher travel for home-based services according to Minnesota Statutes, section 124.32, subdivision 2b:

<u>\$124,000</u>	.....	<u>1994</u>
<u>\$159,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$10,000 for 1993 and \$114,000 for 1994.

The 1995 appropriation includes \$19,000 for 1994 and \$140,000 for 1995.

Subd. 6. [RESIDENTIAL FACILITIES AID.] For residential facilities aid under Minnesota Statutes, section 124.32, subdivision 5:

<u>\$2,616,000</u>	.....	<u>1994</u>
<u>\$..-0-..</u>	.....	<u>1995</u>

Subd. 7. [SPECIAL EDUCATION EXCESS COST AID.] For excess cost aid according to Minnesota Statutes, section 124.322:

<u>\$..-0-..</u>	.....	<u>1994</u>
<u>\$5,555,000</u>	.....	<u>1995</u>

The 1995 appropriation includes \$..-0-.. for 1994 and \$5,555,000 for 1995.

Subd. 8. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency according to Minnesota Statutes, section 124.273:

<u>\$5,529,000</u>	.....	<u>1994</u>
<u>\$6,228,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$600,000 for 1993 and \$4,929,000 for 1994.

The 1995 appropriation includes \$870,000 for 1994 and \$5,358,000 for 1995.

\$106,000 in fiscal year 1994 and \$124,000 in fiscal year 1995 are for supplies and equipment for limited English proficiency instruction according to section 12.

Subd. 9. [AMERICAN INDIAN POST-SECONDARY PREPARATION GRANTS.] For American Indian post-secondary preparation grants according to Minnesota Statutes, section 124.481:

<u>\$857,000</u>	.....	<u>1994</u>
<u>\$857,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 10. [AMERICAN INDIAN LANGUAGE AND CULTURE PROGRAMS.] For grants to American Indian language and culture education programs according to Minnesota Statutes, section 126.54, subdivision 1:

<u>\$591,000</u>	.....	<u>1994</u>
<u>\$591,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$88,000 for 1993 and \$503,000 for 1994.

The 1995 appropriation includes \$88,000 for 1994 and \$503,000 for 1995.

Any balance in the first year does not cancel but is available in the second year.

Subd. 11. [SECONDARY VOCATIONAL; STUDENTS WITH DISABILITIES.] For aid for secondary vocational education for pupils with disabilities according to Minnesota Statutes, section 124.574:

<u>\$4,015,000</u>	.....	<u>1994</u>
<u>\$3,933,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$684,000 for 1993 and \$3,331,000 for 1994.

The 1995 appropriation includes \$588,000 for 1994 and \$3,345,000 for 1995.

Subd. 12. [ASSURANCE OF MASTERY.] For assurance of mastery aid according to Minnesota Statutes, section 124.311:

<u>\$12,949,000</u>	.....	<u>1994</u>
<u>\$13,163,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,904,000 for 1993 and \$11,045,000 for 1994.

The 1995 appropriation includes \$1,948,000 for 1994 and \$11,215,000 for 1995.

Subd. 13. [INDIVIDUALIZED LEARNING AND DEVELOPMENT AID.] For individualized learning and development aid according to Minnesota Statutes, section 124.331:

<u>\$2,485,000</u>	.....	<u>1994</u>
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The 1994 appropriation includes \$2,485,000 for 1993.

Subd. 14. [SPECIAL PROGRAMS EQUALIZATION AID.] For special education levy equalization aid according to Minnesota Statutes, section 124.321:

\$14,210,000	.....	1994
<u>\$16,867,000</u>	<u>.....</u>	<u>1995</u>

The 1994 appropriation includes \$1,626,000 for 1993 and \$12,584,000 for 1994.

The 1995 appropriation includes \$2,221,000 for 1994 and \$14,646,000 for 1995.

Subd. 15. [AMERICAN INDIAN SCHOLARSHIPS.] For American Indian scholarships according to Minnesota Statutes, section 124.48:

\$1,600,000	.....	1994
<u>\$1,600,000</u>	<u>.....</u>	<u>1995</u>

Any unexpended balance remaining in the first year does not cancel but is available in the second year.

Subd. 16. [AMERICAN INDIAN EDUCATION.] (a) For certain American Indian education programs in school districts:

\$175,000	.....	1994
<u>\$175,000</u>	<u>.....</u>	<u>1995</u>

The 1994 appropriation includes \$26,000 for 1993 and \$149,000 for 1994.

The 1995 appropriation includes \$26,000 for 1994 and \$149,000 for 1995.

(b) These appropriations are available for expenditure with the approval of the commissioner of the department of education.

(c) The commissioner must not approve the payment of any amount to a school district or school under this subdivision unless that school district or school is in compliance with all applicable laws of this state.

(d) Up to the following amounts may be distributed to the following schools and school districts for each fiscal year: \$54,800 to Pine Point School; \$9,700 to independent school district No. 166; \$14,900 to independent school district No. 432; \$14,100 to independent school district No. 435; \$42,200 to independent school district No. 707; and \$39,100 to independent school district No. 38. These amounts must be spent only for the benefit of American Indian pupils and to meet established state educational standards or statewide requirements.

(e) Before a district or school can receive money under this subdivision, the district or school must submit, to the commissioner, evidence that it has complied with the uniform financial accounting and reporting standards act, Minnesota Statutes, sections 121.90 to 121.917.

Subd. 17. [INDIAN TEACHER PREPARATION GRANTS.] (a) For joint grants to assist Indian people to become teachers:

\$190,000	.....	1994
<u>\$190,000</u>	<u>.....</u>	<u>1995</u>

(b) Initially, \$70,000 each year is for a joint grant to the University of Minnesota at Duluth and the Duluth school district.

(c) Initially, \$40,000 each year is for a joint grant to each of the following:

(1) Bemidji state university and the Red Lake school district;

(2) Moorhead state university and a school district located within the White Earth reservation; and

(3) Augsburg college and the Minneapolis school district.

(d) Money not used for students at one location may be transferred for use at another location.

(e) Any unexpended balance remaining the first year does not cancel but is available in the second year.

Subd. 18. [TRIBAL CONTRACT SCHOOLS.] For tribal contract school aid according to Minnesota Statutes, section 124.86:

<u>\$374,000</u>	.....	<u>1994</u>
<u>\$457,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$..0.. for 1993 and \$374,000 for 1994.

The 1995 appropriation includes \$66,000 for 1994 and \$391,000 for 1995.

If the 1994 appropriation is not sufficient, the amount must be allocated to eligible schools in the same proportion as the 1993 appropriation.

Subd. 19. [EARLY CHILDHOOD PROGRAMS AT TRIBAL SCHOOLS.] For early childhood family education programs at tribal contract schools:

<u>\$68,000</u>	.....	<u>1994</u>
<u>\$68,000</u>	.....	<u>1995</u>

Subd. 20. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid according to Minnesota Statutes, section 124.573:

<u>\$12,079,000</u>	.....	<u>1994</u>
<u>\$13,244,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,811,000 for 1993 and \$10,268,003 for 1994.

The 1995 appropriation includes \$1,811,000 for 1994 and \$11,433,000 for 1995.

Subd. 21. [ADVISORY COUNCIL COSTS.] For the costs to project participants of convening their advisory council members during the term of the pilot project under section 15:

<u>\$15,000</u>	.....	<u>1994</u>
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Subd. 22. [TEACHER EDUCATION; HEARING IMPAIRED.] To assist school districts in greater Minnesota in educating teachers in American sign language, American sign language linguistics, and deaf culture as required under section 11, clause (c):

<u>\$25,000</u>	.....	<u>1994</u>
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This appropriation is available until June 30, 1995.

Subd. 23. [PROFICIENCY EVALUATION.] To evaluate teachers' baseline level of proficiency in American sign language under section 11, clause (b):

<u>\$24,000</u>	.....	<u>1994</u>
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The appropriation is available until June 30, 1995.

Sec. 39. [LCC FOR SPECIAL EDUCATION RULES REVIEW TASK FORCE.]

\$15,000 is appropriated from the general fund to the legislative coordinating commission for the purposes of the section establishing a task force to review the state's special education rules. This appropriation expires February 15, 1994.

Sec. 40. [REPEALER.]

Minnesota Statutes 1992, section 124.32, subdivision 5, is repealed effective July 1, 1994. Minnesota Statutes 1992, sections 124.331; 124.332; 124.333; and 124.573, subdivisions 2c and 2d, are repealed effective July 1, 1993.

## Sec. 41. [EFFECTIVE DATE.]

Sections 10 and 29 are effective beginning with the 1992-1993 school year.

Section 33 is effective the day after final enactment and applies through the 1998-1999 school year if the St. Paul school district complies with the requirements in section 33, subdivision 2.

Section 36 is effective the day following final enactment and applies to participating school districts through the 1996-1997 school year.

Section 32, clause (b), is effective June 30, 1994, and section 32, clauses (c) and (d), are effective June 30, 1995.

Section 35 is effective the day after final enactment and shall remain in effect until February 15, 1994, except that subdivision 5 shall remain in effect until June 1, 1994.

## ARTICLE 4

## COMMUNITY PROGRAMS

Section 1. Minnesota Statutes 1992, section 3.873, subdivision 4, is amended to read:

Subd. 4. [STAFF.] The legislative coordinating commission shall supply the commission with the necessary staff, office space, and administrative services. The commission may use existing legislative staff to provide legal counsel, research, fiscal, secretarial, and clerical assistance.

Sec. 2. Minnesota Statutes 1992, section 3.873, subdivision 5, is amended to read:

Subd. 5. [INFORMATION COLLECTION; INTERGOVERNMENTAL COORDINATION.] (a) The commission may conduct public hearings and otherwise collect data and information necessary to its purposes.

(b) The commission may request information or assistance from any state agency or officer to assist the commission in performing its duties. The agency or officer shall promptly furnish any information or assistance requested.

(c) The secretary of the senate and the chief clerk of the house shall provide the commission with a copy of each bill introduced in the legislature concerning children, youth, and their families.

(d) Before implementing new or substantially revised programs relating to the subjects being studied by the commission under subdivision 7, the commissioner responsible for the program shall prepare an implementation plan for the program and shall submit the plan to the commission for review and comment. The commission may advise and make recommendations to the commissioner on the implementation of the program and may request the changes or additions in the plan it deems appropriate.

~~(d)~~ (e) By July 1, 1991, the responsible state agency commissioners, including the commissioners of education, health, human services, jobs and training, and corrections, shall prepare data for presentation to the commission on the state programs to be examined by the commission under subdivision 7, paragraph (a).

~~(e)~~ (f) To facilitate coordination between executive and legislative authorities, the governor shall appoint a person to act as liaison between the commission and the governor shall meet with the children's cabinet.

Sec. 3. Minnesota Statutes 1992, section 3.873, subdivision 6, is amended to read:

Subd. 6. [LEGISLATIVE REPORTS AND RECOMMENDATIONS.] The commission shall make recommendations to the legislature to implement combining education, and health and human services and related support services provided to children and their families by the departments of education, human services, health and other state agencies into a single state department of children and families to provide more effective and efficient services. The commission also shall make recommendations to the legislature or committees, as it deems appropriate to assist the legislature in formulating legislation. To facilitate coordination between executive and legislative authorities, the commission shall review and evaluate the plans and proposals of the governor and state agencies on matters within the commission's jurisdiction and shall provide the legislature with its analysis and recommendations. ~~Any analysis and recommendations must integrate recommendations for the design of an education service delivery system under Laws 1991, chapter 265, article 6, section 64.~~ The commission shall report its final recommendations under this subdivision and subdivision 7, paragraph (a), by January 1, 1993 ~~1994~~. The commission shall submit a an annual progress report by January 1, 1992 of each year.

Sec. 4. Minnesota Statutes 1992, section 3.873, subdivision 7, is amended to read:

Subd. 7. [PRIORITIES.] The commission shall give priority to studying and reporting to the legislature on the matters described in this subdivision. To the extent possible, the commission shall consult with knowledgeable individuals in communities throughout the state when developing recommendations or preparing reports on these matters.

(a) The commission must study and report on methods of improving legislative consideration of children and family issues and coordinating state agency programs relating to children and families, including the desirability, feasibility, and effects of creating a new state department of children's services, or children and family services, in which would be consolidated the responsibility for administering state programs relating to children and families.

(b) The commission must study and report on methods of consolidating or coordinating local health, correctional, educational, job, and human services, to improve the efficiency and effectiveness of services to children and families and to eliminate duplicative and overlapping services. The commission shall evaluate and make recommendations on programs and projects in this and other states that encourage or require local jurisdictions to consolidate the delivery of services in schools or other community centers to reduce the cost and improve the coverage and accessibility of services. The commission must study and recommend specific effectiveness measures to accurately determine the efficacy of programs and services provided to children and their families. The commission must consider and recommend how to transform fragmented, crisis-oriented delivery systems focused on remediation services into flexible, comprehensive, well-coordinated, and family-oriented delivery systems focused on prevention services. The commission must review and evaluate what impact the classification of data has on service providers' ability to anticipate and meet the full range of families' needs. The commission must report on any laws, rules, or procedures that interfere with the effective delivery of community-based services to children and families.

(c) The commission must study and report on methods of improving and coordinating educational, social, and health care services that assist children and families during the early childhood years. The commission's study must include an evaluation of the following: early childhood health and development screening services, headstart, child care, ~~and~~ early childhood family education, and parents' involvement in programs meeting the social, cognitive, physical, and emotional needs of children.

(d) The commission must study and report on methods of improving and coordinating the practices of judicial, correctional, and social service agencies in placing juvenile offenders and children who are in need of protective services or treatment.

(e) The commission must study and recommend constructive changes in preventive, community-based programs that encourage children and youth to responsibly serve their community.

(f) The legislative commission on children, youth, and their families and the children's cabinet must study and make joint recommendations regarding a state-level governance structure to deliver funding and coordinate policy for children and their families. These recommendations may include structural changes to minimize barriers to and actively promote collaborating and integrating services for children and families in the community. The commission and cabinet must jointly evaluate the need for a new cabinet-level agency for children. The commission and cabinet shall report their findings and recommendations to the legislature by January 15, 1994.

Sec. 5. Minnesota Statutes 1992, section 3.873, subdivision 9, is amended to read:

Subd. 9. [EXPIRATION.] The commission expires on June 30, 1994 1995.

Sec. 6. [4.045] [CHILDREN'S CABINET.]

The children's cabinet shall consist of the commissioners of education, human services, jobs and training, public safety, corrections, finance, health, administration, housing finance agency, transportation, and the director of the office of strategic and long-range planning. The governor shall designate one member to serve as cabinet chair. The chair is responsible for ensuring that the duties of the children's cabinet are performed.

Sec. 7. Minnesota Statutes 1992, section 120.06, subdivision 3, is amended to read:

Subd. 3. [PUPILS, AT LEAST 21 YEARS OF AGE.] In addition to those admitted under subdivision 1, admission to a public secondary school is free to a person who is eligible under this subdivision. In order to be eligible, a person must be:

- (1) at least 21 years of age;
- (2) a resident of the district where the secondary school is located; and
- (3) eligible under section 126.22, subdivision 2.

Free admission is limited to two school years or the equivalent, or until the pupil completes the courses required to graduate, whichever is less. A district that admits a person to school under this section must have a reasonable expectation that the person can obtain a diploma within two years.

Sec. 8. Minnesota Statutes 1992, section 121.831, is amended to read:

121.831 [LEARNING READINESS PROGRAMS.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A district or a group of districts may establish a learning readiness program for eligible children. The purpose of a learning readiness program is to provide all eligible children adequate opportunities to participate in child development programs that enable the children to enter school with the necessary skills and behavior and family stability and support to progress and flourish.

Subd. 2. [CHILD ELIGIBILITY.] (a) A child is eligible to participate in a learning readiness program offered by the resident district or another district if the child is:

- (1) at least ~~four~~ three and one-half years old but has not entered kindergarten; and
- (2) ~~has participated or will participate in an early childhood receives developmental screening program according to~~ under section 123.702.

~~A child may participate in a program provided by the district in which the child resides or by any other district within 90 days of enrolling in the program or the child's fourth birthday.~~

~~(b) A child younger than three and one-half years old may participate in a learning readiness program if the district or group of districts that establishes the program determines that the program can more effectively accomplish its purpose by including children younger than three and one-half years old.~~

Subd. 3. [PROGRAM ELIGIBILITY.] A learning readiness program shall include the following:

(1) a comprehensive plan to ~~coordinate~~ anticipate and meet the needs of participating families by coordinating existing social services to provide for the needs of participating families programs and for by fostering collaboration with among agencies or other community-based organizations providing and programs that provide a full range of flexible, family-focused services to families with young children;

(2) a development and learning component to help ~~a child~~ children ~~develop socially, intellectually, physically appropriate social, cognitive, and physical skills, and emotionally in a manner appropriate to the child~~ emotional well-being;

(3) health referral services to address ~~the~~ children's medical, dental, mental health, and nutritional needs ~~of the children;~~

(4) a nutrition component to meet ~~the~~ children's daily nutritional needs ~~of the children; and~~

(5) ~~parents' involvement of parents in the educational~~ meeting children's educational, health, social service, and other needs of the children;

(6) community outreach to ensure participation by families who represent the racial, cultural, and economic diversity of the community; and

(7) community-based staff and program resources, including interpreters, that reflect the racial and ethnic characteristics of the children participating in the program.

Subd. 4. [PROGRAM CHARACTERISTICS.] Learning readiness programs ~~may include the following~~ are encouraged to:

(1) prepare an individualized service plan to meet the individual needs of each child child's developmental and learning needs;

(2) participation by families who are representative of the racial, cultural, and economic diversity of the community;

(3) provide parent education to increase parents' knowledge, understanding, skills, and experience in child development and learning;

(4) (3) foster substantial parent involvement; that may include developing having parents develop curriculum or serving serve as a paid or volunteer educator, resource person, or other staff;

(5) (4) identification of identify the needs of families with respect to in the content of the child's learning readiness;

(6) (5) a plan to expand collaboration with public organizations, businesses, nonprofit organizations, or other private organizations to promote the development of develop a coordinated system of flexible, family-focused services available to anticipate and meet the full range of needs of all eligible children and their families with eligible children;

(7) (6) coordination of coordinate treatment and follow-up services for all children's identified physical and mental health problems;

(8) staff and program resources, including interpreters, that reflect the racial and ethnic population of the children in the program;

(9) (7) offer transportation for eligible children and their parents families for whom other forms of transportation are not available unavailable or would constitute an excessive financial burden; and

(10) (8) make substantial outreach efforts to assure significant participation by families with the greatest needs, including those families whose income level does not exceed the most recent update of the poverty guidelines required by sections 652 and 673(2) of the Omnibus Budget Reconciliation Act of 1981 (Public Law Number 97-35);

(9) use community-based, trained home visitors serving as paraprofessionals to provide social support, referrals, parent education, and other services;

(10) create community-based family resource centers and interdisciplinary teams; and

(11) enhance the quality of family or center-based child care programs by providing supplementary services and resources, staff training, and assistance with children with special needs.

Subd. 5. [PURCHASE OR CONTRACT FOR SERVICES.] ~~Whenever possible, A district may is encouraged to contract with a public organization or nonprofit organization providing to provide eligible children developmentally appropriate services meeting one or more of that meet the program requirements in subdivision 3, clauses (1) to (4). In the alternative, a district may also pay tuition or fees to place an eligible child in an existing program or. A district may establish a new program where no existing, reasonably accessible program meets the program requirements in subdivision 3. Services may be provided in a site-based program or in the home of the child or a combination of both. The district may not limit restrict participation to district residents of the district.~~

Subd. 6. [COORDINATION WITH OTHER PROVIDERS.] (a) The district shall optimize coordination of coordinate the learning readiness program with existing service community-based social services providers located in the community and foster collaboration among agencies and other community-based organizations and programs that provide flexible, family-focused services to families with children. The district shall actively encourage greater sharing of responsibility and accountability among service providers and facilitate children's transition between programs.

(b) To the extent possible, resources shall follow the children based on the services needed, so that children have receive appropriate services in a stable environment and are not moved from one program location to program another. Where geographically feasible, the district shall actively promote colocating of services for children and their families.

Subd. 7. [ADVISORY COUNCIL.] Each learning readiness program shall have an advisory council ~~which composed~~ of members of existing early education-related boards, parents of participating children, child care providers, culturally specific service organizations, local resource and referral agencies, and representatives of early childhood service providers. The council shall advise the school board in creating and administering the program and shall monitor the progress of the program. The council shall ensure that children at greatest risk receive appropriate services. If the school board is unable to appoint to the advisory council members of existing early education-related boards, it shall:

(1) appoint parents of children enrolled in the program who represent the racial, cultural, and economic diversity of the district and representatives of early childhood service providers as representatives to an existing advisory council; or

(2) appoint a joint council made up of members of existing boards, parents of participating children, and representatives of early childhood service providers.

Subd. 8. [PRIORITY CHILDREN.] The district shall give ~~high~~ greatest priority to providing services to eligible children identified, through a means such as the early childhood screening process, as being developmentally disadvantaged or experiencing risk factors that could impede their learning readiness.

Subd. 9. [CHILD RECORDS.] A record of a child's progress and development shall be maintained in the child's cumulative record while enrolled in the learning readiness program. The cumulative record shall be used for the purpose of planning activities to suit individual needs and shall become part of the child's permanent record. The cumulative record is private data under chapter 13. Information in the record may be disseminated to an educator or service provider only to the extent that that person has a need to know the information.

Subd. 10. [SUPERVISION.] A program provided by a school board shall be supervised by a licensed early childhood teacher, ~~or a certified early childhood educator, or a licensed parent educator.~~ A program provided according to a contract between a school district and a nonprofit organization or another private organization shall be supervised and staffed according to the terms of the contract.

Subd. 11. [DISTRICT STANDARDS.] The school board of the district shall develop standards for the learning readiness program that reflect the eligibility criteria in subdivision 3. The board shall consider including in the standards the program characteristics in subdivision 4.

Subd. 12. [PROGRAM FEES.] A district may adopt a sliding fee schedule based on a family's income but shall waive a fee for a participant unable to pay. The fees charged must be designed to enable eligible children of all socioeconomic levels to participate in the program.

Subd. 13. [ADDITIONAL REVENUE.] A district or an organization contracting with a district may receive money or in-kind services from a public or private organization.

#### Sec. 9. [121.835] [WAY TO GROW/SCHOOL READINESS PROGRAM.]

Subdivision 1. [ADMINISTRATION.] The commissioner of education shall administer the way to grow/school readiness program, in collaboration with the commissioners of health and human services, to promote intellectual, social, emotional, and physical development and school readiness of children prebirth to age six by coordinating and improving access to community-based and neighborhood-based services that support and assist all parents in meeting the health and developmental needs of their children at the earliest possible age.

Subd. 2. [PROGRAM COMPONENTS.] (a) A way to grow/school readiness program must:

(1) collaborate and coordinate delivery of services with other community organizations and agencies serving children prebirth to age six and their families;

(2) target services to families with children prebirth to age six with services increasing based on need;

(3) build on existing services and coordinate a continuum of prebirth to age six essential services, including but not limited to prenatal health services, parent education and support, and preschool programs;

(4) provide strategic outreach efforts to families using trained paraprofessionals such as home visitors; and

(5) support of neighborhood oriented and culturally specific social support, information, outreach, and other programs to promote healthy development of children and to help parents obtain the information, resources, and parenting skills needed to nurture and care for their children.

(b) A way to grow/school readiness program may include:

(1) a program of home visitors to contact pregnant women early in their pregnancies, encourage them to obtain prenatal care, and provide social support, information, and referrals regarding prenatal care and well-baby care to reduce infant mortality, low birth weight, and childhood injury, disease, and disability;

(2) a program of home visitors to provide social support, information, and referrals regarding parenting skills and to encourage families to participate in parenting skills programs and other family supportive services;

(3) support of neighborhood-based or community-based parent-child and family resource centers or interdisciplinary resource teams to offer supportive services to families with preschool children;

(4) staff training, technical assistance, and incentives for collaboration designed to raise the quality of community services relating to prenatal care, child development, health, and school readiness;

(5) programs to raise general public awareness about practices that promote healthy child development and school readiness;

(6) programs to expand public and private collaboration to promote the development of a coordinated and culturally specific system of services available to all families;

(7) support of periodic screening and evaluation services for preschool children to assure adequate developmental progress;

(8) support of health, educational, and other developmental services needed by families with preschool children;

(9) support of family prevention and intervention programs needed to address risks of child abuse or neglect;

(10) development or support of a jurisdiction-wide coordinating agency to develop and oversee programs to enhance child health, development, and school readiness with special emphasis on neighborhoods with a high proportion of children in need; and

(11) other programs or services to improve the health, development, and school readiness of children in target neighborhoods and communities.

Subd. 3. [ELIGIBLE GRANTEES.] An application for a grant may be submitted by any of the following entities:

(1) a city, town, county, school district, or other local unit of government;

(2) two or more governmental units organized under a joint powers agreement;

(3) a community action agency that satisfies the requirements of section 268.53, subdivision 1; or

(4) a nonprofit organization, or consortium of nonprofit organizations, that demonstrates collaborative effort with at least one unit of local government.

Subd. 4. [DISTRIBUTION.] The commissioner of education shall give priority to funding existing programs.

To the extent possible, the commissioner shall award grants to applicants with experience or demonstrated ability in providing comprehensive, multidisciplinary, community-based programs with objectives similar to those listed in subdivision 2, or in providing other human services or social services programs using a multidisciplinary, community-based approach.

Subd. 5. [APPLICATIONS.] Each grant application must propose a five-year program designed to accomplish the purposes of this section. The application must be submitted on forms provided by the commissioner of education. The grant application must include:

(1) a description of the specific neighborhoods that will be served under the program and the name, address, and a description of each community agency or agencies with which the applicant intends to contract to provide services using grant money;

(2) a letter of intent from each community agency identified in clause (1) that indicates the agency's willingness to participate in the program and approval of the proposed program structure and components;

(3) a detailed description of the structure and components of the proposed program and an explanation of how each component will contribute to accomplishing the purposes of this section;

(4) a description of how public and private resources, including schools, health care facilities, government agencies, neighborhood organizations, and other resources, will be coordinated and made accessible to families in target neighborhoods, including letters of intent from public and private agencies indicating their willingness to cooperate with the program;

(5) a detailed, proposed budget that demonstrates the ability of the program to accomplish the purposes of this section using grant money and other available resources, including funding sources other than a grant; and

(6) a comprehensive evaluation plan for measuring the success of the program in meeting the objectives of the overall grant program and the individual grant project, including an assessment of the impact of the program in terms of at least three of the following criteria:

(i) utilization rates of community services;

(ii) availability of support systems for families;

(iii) birth weights of newborn babies;

(iv) child accident rates;

(v) utilization rates of prenatal care;

(vi) reported rates of child abuse;

(vii) rates of health screening and evaluation; and

(viii) school readiness of way to grow participants compared to nonparticipants.

Subd. 6. [MATCH.] Each dollar of state money must be matched with 50 cents of nonstate money. Programs may match state money with in-kind contributions, including volunteer assistance.

Subd. 7. [ADVISORY COMMITTEES.] The commissioner of education shall establish a program advisory committee consisting of persons knowledgeable in child development, child health, and family services, who reflect the geographic, cultural, racial, and ethnic diversity of the state; and representatives of the commissioners of education, human services, and health. This program advisory committee shall review grant applications, assist in distribution of the grants, and monitor progress of the way to grow/school readiness program. Each grantee must establish a program advisory board of 12 or more members to advise the grantee on program design, operation, and evaluation. The board must include representatives of local units of government and representatives of the project area who reflect the geographic, cultural, racial, and ethnic diversity of that community.

Subd. 8. [REPORT.] The advisory committee shall report to the education committee of the legislature by January 15, 1993, on the evaluation required in subdivision 5, clause (6), and shall make recommendations for establishing successful way to grow programs in unserved areas of the state.

## Sec. 10. [121.8355] [FAMILY SERVICES AND COMMUNITY-BASED COLLABORATIVES.]

Subdivision 1. [ESTABLISHMENT.] (a) In order to qualify as a family services collaborative, a minimum of one school district, one county, and one public health entity must agree in writing to provide coordinated family services and commit resources to an integrated fund. Collaboratives are expected to have broad community representation, which may include other local providers, including additional school districts, counties, and public health entities, other municipalities, existing culturally specific community organizations, local health organizations, private and nonprofit service providers, child care providers, local foundations, community-based service groups, businesses, local transit authorities or other transportation providers, community action agencies under section 268.53, senior citizen volunteer organizations, and sectarian organizations that provide nonsectarian services.

(b) Community-based collaboratives composed of representatives of schools, local businesses, local units of government, parents, students, clergy, health and social services providers, youth service organizations, and existing culturally specific community organizations may plan and develop services for children and youth. A community-based collaborative must agree to collaborate with county, school district, and public health entities. Their services may include opportunities for children or youth to improve child health and development, reduce barriers to adequate school performance, improve family functioning, provide community service, enhance self esteem, and develop general employment skills.

Subd. 1a. [DEFINITION.] For purposes of this section, "collaborative" means either a family services collaborative described under subdivision 1, paragraph (a) or community-based collaboratives described under subdivision 1, paragraph (b).

Subd. 2. [DUTIES.] (a) Each collaborative shall:

(1) establish, with assistance from families and service providers, clear goals for addressing the health, developmental, educational, and family-related needs of children and youth and use outcome-based indicators to measure progress toward achieving those goals;

(2) establish a comprehensive planning process that involves all sectors of the community, identifies local needs, and surveys existing local programs;

(3) integrate service funding sources so that children and their families obtain services from providers best able to anticipate and meet their needs;

(4) coordinate families' services to avoid duplicative and overlapping assessment and intake procedures;

(5) focus primarily on family-centered services;

(6) encourage parents and volunteers to actively participate by using flexible scheduling and actively recruiting volunteers;

(7) provide services in locations that are readily accessible to children and families;

(8) use new or reallocated funds to improve or enhance services provided to children and their families;

(9) identify federal, state, and local institutional barriers to coordinating services and suggest ways to remove these barriers; and

(10) design and implement an integrated local service delivery system for children and their families that coordinates services across agencies and is client centered. The delivery system shall provide a continuum of services for children birth to age 18. The collaborative shall describe the community plan for serving pregnant women and children from birth to age six.

(b) The outcome-based indicators developed in paragraph (a), clause (1) may include the number of low birthweight babies, the infant mortality rate, the number of children who are adequately immunized and healthy, require out-of-home placement or long-term special education services, and the number of minor parents.

Subd. 3. [INTEGRATED LOCAL SERVICE DELIVERY SYSTEM.] A collaborative shall design an integrated local service delivery system that coordinates funding streams and the delivery of services between existing agencies. The integrated local service delivery system may:

- (1) improve outreach and early identification of children and families in need of services and intervene across service systems on behalf of families;
- (2) offer an inclusive service system that supports all families within a community;
- (3) coordinate services that eliminate the need to match funding streams, provider eligibilities, or clients with multiple providers;
- (4) improve access to services by coordinating transportation services;
- (5) provide initial outreach to all new mothers and periodic family visits to children who are potentially at risk;
- (6) coordinate assessment across systems to determine which children and families need coordinated multiagency services and supplemental services;
- (7) include multiagency service plans and coordinate unitary case management; and
- (8) integrate funding of services.

Subd. 4. [INTEGRATED FUND.] (a) A collaborative must establish an integrated fund to help provide an integrated service system and fund additional supplemental services. The integrated fund may consist of federal, state, local, or private resources. The collaborative agreement must specify a minimum financial commitment by the contributors to an integrated fund. Contributors may not reduce their financial commitment except as specified in the agreement or by federal declaration.

(b) A collaborative must seek to maximize federal and private funds by designating local expenditures for services that can be matched with federal or private grant funds and by designing services to meet the requirements for state or federal reimbursement.

(c) Collaboratives may seek to maximize federal reimbursement of funds under section 256F.10.

Subd. 5. [LOCAL PLANS.] The collaborative plan shall describe how the collaborative will carry out the duties and implement the integrated local services delivery system required under this section. The plan shall include a list of the collaborative participants, a copy of the agreement required under subdivision 1, the amount and source of resources each participant will contribute to the integrated fund, and methods for increasing local participation in the collaborative, involving parents and other community members in implementing and operating the collaborative, and providing effective outreach services to all families with young children in the community. The plan shall also include specific goals that the collaborative intends to achieve and methods for objectively measuring progress toward meeting the goals.

Subd. 6. [PLAN APPROVAL BY THE CHILDREN'S CABINET.] (a) The children's cabinet shall approve local plans for collaboratives. In approving local plans, the children's cabinet shall give highest priority to a plan that provides:

- (1) early intervention and family outreach services;
- (2) family visitation services;
- (3) a continuum of services for children from birth to age 18;
- (4) family preservation services;
- (5) culturally sensitive approaches for delivering services and utilizing culturally specific organizations;
- (6) clearly defined outcomes and valid methods of assessment;
- (7) effective service coordination;

(8) participation by the maximum number of jurisdictions and local, county, and state funding sources;

(9) integrated community service providers and local resources;

(10) integrated transportation services;

(11) integrated housing services; and

(12) coordinated services that include a children's mental health collaborative authorized by law.

(b) The children's cabinet shall ensure that the collaboratives established under this section do not conflict with any state or federal policy or program and do not negatively impact the state budget.

Subd. 7. [RECEIPT OF FUNDS.] The office of strategic and long-range planning may receive and administer public and private funds for the purposes of this act.

Sec. 11. Minnesota Statutes 1992, section 121.882, subdivision 2b, is amended to read:

Subd. 2b. [HOME VISITING PROGRAM.] (a) The commissioner of education shall include as part of the early childhood family education programs a parent education component to prevent child abuse and neglect. This parent education component must include:

(1) expanding statewide the home visiting component of the early childhood family education programs;

(2) training parent educators, child educators, community outreach workers, and home visitors in the dynamics of child abuse and neglect and positive parenting and discipline practices; and

(3) developing and ~~distributing~~ disseminating education and public information materials that promote positive parenting skills and prevent child abuse and neglect.

(b) The parent education component must:

(1) offer to isolated or at-risk families ~~direct~~ home visiting parent education services that at least address parenting skills, a child's development and stages of growth, communication skills, managing stress, problem-solving skills, positive child discipline practices, methods of improving parent-child interactions and enhancing self-esteem, using community support services and other resources, and encouraging parents to have fun with and enjoy their children;

(2) develop a risk assessment tool to determine the family's level of risk;

(3) establish clear objectives and protocols for home visits;

(4) determine the frequency and duration of home visits based on a risk-need assessment of the client, with home visits beginning in the second trimester of pregnancy and continuing, based on client need, until a child is six years old;

(5) encourage families to make a transition from home visits to site-based parenting programs to build a family support network and reduce the effects of isolation;

(6) develop and distribute education materials on preventing child abuse and neglect that may be used in home visiting programs and parent education classes and distributed to the public;

(7) initially provide at least 40 hours of training and thereafter ongoing training for parent educators, child educators, community outreach workers, and home visitors that covers the dynamics of child abuse and neglect, domestic violence and victimization within family systems, signs of abuse or other indications that a child may be at risk of being abused or neglected, what child abuse and neglect are, how to properly report cases of child abuse and neglect, respect for cultural preferences in child rearing, what community resources, social service agencies, and family support activities and programs are available, child development and growth, parenting skills, positive child discipline practices, identifying stress factors and techniques for reducing stress, home visiting techniques, and risk assessment measures;

(8) provide program services that are community-based, accessible, and culturally relevant; and

(9) foster collaboration among existing agencies and community-based organizations that serve young children and their families.

(c) Home visitors should reflect the demographic composition of the community the home visitor is serving to the extent possible.

Sec. 12. Minnesota Statutes 1992, section 123.702, subdivision 1, is amended to read:

Subdivision 1. Every school board shall provide for a mandatory program of early childhood developmental screening for children ~~who are four years old and older but who have not entered kindergarten or first grade in a public school~~ once before school entrance, targeting children who are between 3-1/2 and 4 years old. This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood family education programs, or by other existing programs. This screening examination is a mandatory requirement for a student to continue attending kindergarten or first grade in a public school. A child need not submit to developmental screening provided by a school board if the child's health records indicate to the school board that the child has received comparable developmental screening from a public or private health care organization or individual health care provider. The school districts are encouraged to reduce the costs of preschool developmental screening programs by utilizing volunteers in implementing the program.

Sec. 13. Minnesota Statutes 1992, section 123.702, subdivision 1a, is amended to read:

Subd. 1a. A child must not be enrolled in kindergarten ~~or first grade~~ in a public school unless the parent or guardian of the child submits to the school principal or other person having general control and supervision of the school a record indicating the months and year the child received developmental screening and the results of the screening not later than 30 days after the first day of attendance. If a child is transferred from one kindergarten to another ~~or from one first grade to another~~, the parent or guardian of the child must be allowed 30 days to submit the child's record, during which time the child may attend school.

Sec. 14. Minnesota Statutes 1992, section 123.702, subdivision 1b, is amended to read:

Subd. 1b. (a) A screening program shall include at least the following components: developmental assessments, hearing and vision screening or referral, immunization review and referral, the child's height and weight, ~~review of any special family circumstances that might affect development,~~ identification of additional risk factors that may influence learning, an interview with the parent about the child, and referral for assessment, diagnosis, and treatment when potential needs are identified. The school district and the person performing or supervising the screening shall provide a parent or guardian with clear written notice that the parent or guardian may decline to answer questions or provide information about family circumstances that might affect development and identification of risk factors that may influence learning. The notice shall clearly state that declining to answer questions or provide information does not prevent the child from being enrolled in kindergarten or first grade if all other screening components are met. If a parent or guardian is not able to read and comprehend the written notice, the school district and the person performing or supervising the screening must convey the information in another manner. The notice shall also inform the parent or guardian that a child need not submit to the school district screening program if the child's health records indicate to the school that the child has received comparable developmental screening performed within the preceding 365 days by a public or private health care organization or individual health care provider. The notice shall be given to a parent or guardian at the time the district initially provides information to the parent or guardian about screening and shall be given again at the screening location.

(b) All screening components shall be consistent with the standards of the state commissioner of health for early developmental screening programs. No developmental screening program shall provide laboratory tests or a physical examination to any child. The school district shall request from the public or private health care organization or the individual health care provider the results of any laboratory test or physical examination within the 12 months preceding a child's scheduled screening.

(c) If a child is without health coverage, the school district shall refer the child to an appropriate health care provider.

(d) A school board may offer additional components such as nutritional, physical and dental assessments, review of family circumstances that might affect development, blood pressure, laboratory tests, and health history. State aid shall not be paid for additional components.

(e) If a statement signed by the child's parent or guardian is submitted to the administrator or other person having general control and supervision of the school that the child has not been screened because of conscientiously held beliefs of the parent or guardian, the screening is not required.

Sec. 15. Minnesota Statutes 1992, section 123.702, subdivision 3, is amended to read:

Subd. 3. The school board shall inform each resident family with a child eligible to participate in the developmental screening program about the availability of the program and the state's requirement that a child receive developmental screening not later than 30 days after the first day of attending kindergarten ~~or first grade~~ in a public school.

Sec. 16. Minnesota Statutes 1992, section 123.702, subdivision 4, is amended to read:

Subd. 4. A school board may contract with or purchase service from an approved early developmental screening program in the area. Developmental screening must be conducted by either an individual who is licensed as, or has the training equal that is similar to, a special education teacher, school psychologist, kindergarten teacher, prekindergarten teacher, school nurse, public health nurse, registered nurse, or physician. The individual may be a volunteer.

Sec. 17. Minnesota Statutes 1992, section 123.702, subdivision 5, is amended to read:

Subd. 5. Every school board shall integrate and utilize volunteer screening programs in implementing sections 123.702 to ~~123.705~~ 123.7045 wherever possible.

Sec. 18. Minnesota Statutes 1992, section 123.7045, is amended to read:

123.7045 [DEVELOPMENTAL SCREENING AID.]

Each school year, the state shall pay a school district \$25 for each child screened according to the requirements of section 123.702. If this amount of aid is insufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient.

Sec. 19. Minnesota Statutes 1992, section 124.26, subdivision 2, is amended to read:

Subd. 2. Each district or group of districts providing adult basic education programs shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these programs. All aid received pursuant to this section shall be utilized solely for the purposes of adult basic education programs. In no case shall federal and state aid equal more than ~~90~~ 100 percent of the actual cost of providing these programs.

Sec. 20. Minnesota Statutes 1992, section 124.2601, subdivision 4, is amended to read:

Subd. 4. [LEVY.] A district with an eligible program may levy an amount not to exceed the amount raised by ~~.21~~ .12 percent times the adjusted tax capacity of the district for the preceding year.

Sec. 21. Minnesota Statutes 1992, section 124.2601, subdivision 6, is amended to read:

Subd. 6. [AID GUARANTEE.] (a) For fiscal year 1994, any adult basic education program that receives less state aid under subdivisions 3 and 7 than from the aid formula for fiscal year 1992 shall receive the amount of aid it received in fiscal year 1992.

(b) For 1995 and later fiscal years, an adult basic education program that receives aid shall receive at least the amount of aid it received in fiscal year 1992 under subdivisions 3 and 7, plus aid equal to the amount of revenue that would have been raised for taxes payable in 1994 under Minnesota Statutes 1992, section 124.2601, subdivision 4, minus the amount raised under subdivision 4.

Sec. 22. Minnesota Statutes 1992, section 124.2615, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF AID.] A district is eligible to receive learning readiness aid if the program plan as required by subdivision 1 has been approved by the commissioner of education. The aid is equal to:

- (1) \$200 for fiscal year 1992 and \$300 for fiscal year 1993 times the number of eligible four-year old children residing in the district, as determined according to section 124.2711, subdivision 2; plus
- (2) \$100 for fiscal year 1992 and \$300 for fiscal year 1993 times the result of;
- (3) the ratio of the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program to the total number of pupils enrolled in the school district; times
- (4) the number of children in clause (1).

For fiscal year 1994 and thereafter, a district shall receive learning readiness aid equal to:

- (1) \$500 times the number of all participating eligible children, plus the number of eligible four-year old children in the district times the ratio of 50 percent of the total learning readiness aid for that year to the total number of eligible four-year old children reported to the commissioner for that year; plus
- (2) \$200 times the number of participating eligible children identified according to section 121.831, subdivision 8 the number of participating eligible children times the ratio of 15 percent of the total learning readiness aid for that year to the total number of participating eligible children for that year; plus
- (3) the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program times the ratio of 35 percent of the total learning readiness aid for that year to the total number of pupils in the state from families eligible for the free or reduced school lunch program.

Sec. 23. Minnesota Statutes 1992, section 124.2615, subdivision 3, is amended to read:

Subd. 3. [USE OF AID.] Learning readiness aid shall be used only to provide a learning readiness program and may be used to provide transportation. Not more than five percent of the aid may be used for the cost of administering the program. Aid must be used to supplement and not supplant local, state, and federal funding. Aid may not be used for instruction and services required under section 120.17. Aid may not be used to purchase land or construct buildings, but may be used to lease or renovate existing buildings.

Sec. 24. Minnesota Statutes 1992, section 124.2711, subdivision 1, is amended to read:

Subdivision 1. [REVENUE.] The revenue for early childhood family education programs for a school district ~~is the amount of revenue earned by multiplying \$96.50 for fiscal year 1992 or equals \$101.25 for fiscal year 1993 and later fiscal years~~ times the greater of:

- (1) 150; or
- (2) the number of people under five years of age residing in the school district on September 1 of the last previous school year.

Sec. 25. Minnesota Statutes 1992, section 124.2711, subdivision 2a, is amended to read:

Subd. 2a. [EARLY CHILDHOOD FAMILY EDUCATION LEVY.] To obtain early childhood family education revenue, a district may levy an amount equal to the tax rate of ~~.596~~ .626 percent times the adjusted tax capacity of the district for the year preceding the year the levy is certified. If the amount of the early childhood family education levy would exceed the early childhood family education revenue, the early childhood family education levy shall equal the early childhood family education revenue.

Sec. 26. Minnesota Statutes 1992, section 124.2711, is amended by adding a subdivision to read:

Subd. 6. [HOME VISITING LEVY.] A school district that enters into a collaborative agreement to provide education services and social services to families with young children may levy an amount equal to \$1.60 times the number of people under five years of age residing in the district on September 1 of the last school year. Levy revenue under this subdivision shall not be included as revenue under subdivision 1. the revenue shall be used for home visiting programs under section 121.882, subdivision 2b.

Sec. 27. Minnesota Statutes 1992, section 124.2713, subdivision 5, is amended to read:

Subd. 5. [YOUTH SERVICE REVENUE.] Youth service program revenue is available to a district that has implemented a youth development plan and a youth service program. Youth service revenue equals ~~75~~ 85 cents for fiscal year ~~1992~~ 1994, \$1 for fiscal year 1995, and 85 cents for fiscal year ~~1993~~ 1996 and thereafter, times the greater of 1,335 or the population of the district.

Sec. 28. Minnesota Statutes 1992, section 124.2713, subdivision 6, is amended to read:

Subd. 6. [COMMUNITY EDUCATION LEVY.] To obtain community education revenue, a district may levy the amount raised by a tax rate of ~~1.07~~ percent for fiscal year ~~1992~~ and ~~1.095~~ 1.13 percent for fiscal year ~~1993~~ 1995 and thereafter, times the adjusted net tax capacity of the district. If the amount of the community education levy would exceed the community education revenue, the community education levy shall ~~equal the community education revenue~~ be determined according to subdivision 6a.

Sec. 29. Minnesota Statutes 1992, section 124.2713, is amended by adding a subdivision to read:

Subd. 6a. [COMMUNITY EDUCATION LEVY; DISTRICTS OFF THE FORMULA.] If the amount of the community education levy for a district exceeds the district's community education revenue, the amount of the community education levy is limited to the sum of:

- (1) the district's community education revenue according to subdivision 1; plus
- (2) the amount of the aid reduction for the same fiscal year according to subdivision 6b.

For purposes of statutory cross-reference, a levy made according to this subdivision is the levy made according to subdivision 6.

Sec. 30. Minnesota Statutes 1992, section 124.2713, is amended by adding a subdivision to read:

Subd. 6b. [COMMUNITY EDUCATION LEVY EQUITY.] (a) If a district's community education levy for a fiscal year is determined according to subdivision 6a, an amount must be deducted from state aid authorized in this chapter receivable for the same fiscal year, and from state payments authorized in chapter 273 and receivable for the same fiscal year, the amount of the deduction equals the difference between:

- (1) the district's community education revenue according to subdivision 1; and
- (2) the district's maximum community education levy according to subdivision 6.

(b) The amount of the deduction in any fiscal year must not exceed the amount of state payments authorized in chapters 124 and 273 and receivable for the same fiscal year in the district's community service fund.

Sec. 31. Minnesota Statutes 1992, section 124.2714, is amended to read:

124.2714 [ADDITIONAL COMMUNITY EDUCATION REVENUE.]

(a) A district that is eligible under section 124.2713, subdivision 2, may levy an amount up to the amount authorized by Minnesota Statutes 1986, section 275.125, subdivision 8, clause (2).

(b) Beginning with levies for fiscal year 1995, this levy must be reduced each year by the amount of any increase in the levying district's general community education revenue under section 124.2713, subdivision 3, for that fiscal year over the amount received by the district under section 124.2713 for fiscal year 1994.

(c) The proceeds of the levy may be used for the purposes set forth in section 124.2713, subdivision 8.

Sec. 32. Minnesota Statutes 1992, section 124.2716, is amended to read:

124.2716 [EXTENDED DAY LEVY REVENUE.]

Subdivision 1. [ELIGIBILITY.] A school district that offers an extended day program according to section 121.88, subdivision 10, may levy is eligible for extended day revenue for the additional costs of providing services to children with disabilities or to children experiencing family or related problems of a temporary nature who participate in the extended day program.

Subd. 2. [EXTENDED DAY REVENUE.] The extended day revenue for an eligible school district equals the approved additional cost of providing services to children with disabilities or children experiencing family or related problems of a temporary nature who participate in the extended day program.

Subd. 3. [EXTENDED DAY LEVY.] To obtain extended day revenue, a school district may levy an amount equal to the district's extended day revenue as defined in subdivision 2 multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable, to \$3,700.

Subd. 4. [EXTENDED DAY AID.] A district's extended day aid is the difference between its extended day revenue and its extended day levy. If a district does not levy the entire amount permitted, extended day aid must be reduced in proportion to the actual amount levied.

Sec. 33. Minnesota Statutes 1992, section 124A.29, subdivision 1, is amended to read:

Subdivision 1. [STAFF DEVELOPMENT, AND VIOLENCE PREVENTION, AND PARENTAL INVOLVEMENT PROGRAMS.] (a) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$15 times the number of actual pupil units shall be reserved and may be used only to provide staff time for in-service education for violence prevention programs under section 126.77, subdivision 2, or staff development programs, including outcome-based education, under section 126.70, subdivisions 1 and 2a. The school board shall determine the staff development activities to provide, the manner in which they will be provided, and the extent to which other local funds may be used to supplement staff development activities.

(b) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$5 times the number of actual pupil units must be reserved and may be used only to provide parental involvement programs that implement section 126.69. A district may use up to \$1 of the \$5 times the number of actual pupil units for promoting parental involvement in the PER process. Parental involvement programs may include career teacher programs, programs promoting parental involvement in the PER process, coordination of volunteer services, and programs designed to encourage community involvement.

Sec. 34. Minnesota Statutes 1992, 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, except as indicated in clause (6) 21, or who is an elementary pupil, and in either case, 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 satisfactorily completing coursework or obtaining credits for graduation; or

(3) is pregnant or is a parent; or

(4) has been assessed as chemically dependent; or

(5) has been excluded or expelled according to sections 127.26 to 127.39; or

(6) is between the ages of 12 and 21 and has been referred by a school district for enrollment in an eligible program or a program pursuant to section 126.23; or

(7) is a victim of physical or sexual abuse; or

(8) has experienced mental health problems; or

(9) has experienced homelessness sometime within six months before requesting a transfer to an eligible program; or

~~(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 is pregnant or is a parent, or has been assessed as chemically dependent; or~~

~~(d) any person who is at least 21 years of age and who:~~

~~(1) has received fewer than 14 years of public or nonpublic education, beginning at age 5;~~

~~(2) has not completed the requirements for a high school diploma; 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.~~

~~(e) an elementary school pupil who is determined by the district of attendance to be at risk of not succeeding in school is eligible to participate in the program.~~

~~Notwithstanding section 127.27, subdivision 7, the provisions of section 127.29, subdivision 1, do not apply to a pupil under age 21 who participates in the high school graduation incentives program.~~

Sec. 35. Minnesota Statutes 1992, 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), (d), or (e)~~, may enroll in any program approved by the state board of education under Minnesota Rules, part 3500.3500, or area learning centers under sections 124C.45 to 124C.48, or according to section 121.11, subdivision 12.

(b) A pupil who is eligible according to subdivision 2, ~~clause (b), (c), or (d)~~, and who is between the ages of 16 and 21 may enroll in post-secondary courses under section 123.3514.

(c) A pupil who is eligible under subdivision 2, ~~clause (a), (b), (c), (d), or (e)~~, may enroll in any public elementary or secondary education program. However, a person who is eligible according to subdivision 2, ~~clause (d)~~ (b), may enroll only if the school board has adopted a resolution approving the enrollment.

(d) A pupil who is eligible under subdivision 2, ~~clause (a), (b), (c), or (e)~~, may enroll part time, if 16 years of age or older, or full time in any nonprofit, nonpublic, nonsectarian school that has contracted with the school district of residence to provide educational services.

(e) A pupil who is ~~eligible under subdivision 2, clause (c) or (d)~~, between the ages of 16 and 21 may enroll in any adult basic education programs approved under section 124.26 and operated under the community education program contained in section 121.88.

Sec. 36. Minnesota Statutes 1992, section 126.22, subdivision 3a, is amended to read:

Subd. 3a. [ADDITIONAL ELIGIBLE PROGRAM.] A pupil who is at least 16 years of age, who is eligible under subdivision 2, ~~clause (a), (b), or (c)~~, and who has been enrolled only in a public school, if the pupil has been enrolled in any school, during the year immediately before transferring under this subdivision, may transfer to any nonprofit, nonpublic school that has contracted with the school district of residence to provide nonsectarian educational services. Such a school must enroll every eligible pupil who seeks to transfer to the school under this program subject to available space.

Sec. 37. Minnesota Statutes 1992, section 126.22, subdivision 4, is amended to read:

Subd. 4. [PUPIL ENROLLMENT.] Any eligible pupil may apply to enroll in an eligible program. Approval of the resident district is not required for:

(1) an eligible pupil to enroll in any eligible program in a nonresident district under subdivision 3 or an area learning center established under section 124C.45; or

(2) an eligible pupil under subdivision 2, ~~clause (c) or (d)~~, to enroll in an adult basic education program approved under section 124.26.

Sec. 38. Minnesota Statutes 1992, section 126.67, subdivision 8, is amended to read:

Subd. 8. [CAREER INFORMATION; APPROPRIATION.] (a) The department of education, through the Minnesota career information system, may provide career information to school districts and other educational organizations, employment and training services, human service agencies, libraries, and families. The department shall collect fees necessary to recover all expenditures related to the operation of the Minnesota career information service. Grants may be accepted and used for the improvement or operation of the program. All receipts must be deposited in a special account in the special revenue fund. The money in the account, along with any interest earned, is appropriated annually to the commissioner of education for the Minnesota career information system. Equipment, materials, and property purchased with Minnesota career information system money must be for the sole use and benefit of the system.

(b) The department must recognize that the Minnesota career information system operates under a self-supporting directive, and, accordingly, must be provided sufficient administrative latitude within the confines of law to enable the system to operate effectively.

Sec. 39. Laws 1992, chapter 571, article 10, section 29, is amended to read:

Sec. 29. [124.2712] [ECFE REVENUE.]

In addition to the revenue in section 124.2711, subdivision 1, in fiscal year ~~1993~~ 1994 a district is eligible for aid equal to \$1.60 times the greater of 150 or the number of people under five years of age residing in the school district on September 1 of the last school year. This amount may be used only for in-service education for early childhood family education parent educators, child educators, and home visitors for violence prevention programs and for home visiting programs under section 6 ~~126.77~~. A district that uses revenue under this paragraph for home visiting programs shall provide home visiting program services through its early childhood family education program or shall contract with a public or nonprofit organization to provide such services. A district may establish a new home visiting program only where no existing, reasonably accessible home visiting program meets the program requirements in section 6 ~~126.77~~.

Sec. 40. [INTEGRATED CHILDREN'S DATABASE.]

Subdivision 1. [PLAN.] The departments of education, administration, health and human services, and the office of strategic and long-range planning shall jointly develop a plan for an integrated statewide children's service database. The plan must contain common essential data elements that include all children from birth through kindergarten enrollment by July 1, 1995. The essential data elements shall be the basis for a statewide children's service database. Initial service areas shall include but are not limited to: early childhood and family education, ECFE tribal schools, learning readiness, way to grow, early childhood special education part H, even start, school health, home visitor, lead poisoning screening, child care resources and referral, child care service development, child trust fund, migrant child care, dependent child care, headstart and community resource program.

In developing a plan for a statewide integrated children's database the joint planning team must:

(1) conduct a high-level needs analysis of service delivery and reporting and decision making areas;

(2) catalogue current information systems;

(3) establish outcomes for developing systems;

- (4) analyze the needs of individuals and organizations that will use the system; and
- (5) identify barriers to sharing information and recommend changes to the Data Practices Act to remove those barriers.

Subd. 2. [DATA STORAGE.] The departments of education, administration, corrections, health and human services, and the office of strategic and long-range planning must provide to the legislature by January 30, 1995, a plan for storing essential data elements for family service centers to use. This plan will include reporting of data to the state as a by-product of both family service and school district internal operations.

Subd. 3. [AGENCY SYSTEM INTEGRATION.] Any state agency or department with programs serving children that is designing or redesigning its information system must ensure that the resulting information system can be fully integrated into the statewide children's service database by June 30, 1995. Agencies or departments must submit plans to design or redesign information systems for review by the information policy office to ensure that agency or department information can be fully integrated into the statewide children's service database.

#### Sec. 41. [REPORTS.]

By February 15, 1994, the children's cabinet shall report to the chairs of the family services and education committees of the legislature and to the legislative commission on children, youth, and families the number of plans approved under section 10, subdivision 5, the amounts of the grants distributed, a brief description of the proposals, and the status of the collaboratives established under section 41, subdivision 3.

#### Sec. 42. [NORTH BRANCH COMMUNITY PARTICIPATION SCHOOL.]

Subdivision 1. [PILOT PROGRAM.] Independent school district No. 138, North Branch, shall establish a pilot outcome-based community participation school with the following components:

- (1) educational opportunities for preschool through grade 6 learners;
- (2) social services located at the school, including student and family counseling and appropriate referrals when necessary;
- (3) programs that focus on self-esteem, conflict resolution, violence prevention, truancy, and other related issues;
- (4) health services located at the school to address the health needs of learners, including prevention programs designed to reduce health-related problems caused by drug and alcohol use, poor nutrition, and other factors;
- (5) community education programs designed to assist parents with the challenges of parenting in today's society;
- (6) regular contact with the families of students by teachers, social workers, nurses, and other school personnel through home visits, conferences at school or the workplaces of family members, telephone contact, and written communication; and
- (7) a Saturday program designed to address issues such as remedial work and family dynamics that impact student learning, or to provide other learning opportunities for students and their families.

Subd. 2. [FAMILY-SCHOOL PARTNERSHIP.] The families of students attending the community participation school must agree to participate in the program by:

- (1) supporting the philosophy of the school;
- (2) serving as volunteers at the school during the day, the evening, or on weekends;
- (3) attending family training and information sessions on topics such as conflict resolution and parenting skills; and
- (4) emphasizing the value of education at home through activities such as reading to their children and encouraging them to read, taking them to libraries, and reducing the family's television viewing.

Subd. 3. [COMMUNITY LEARNING COMMITTEE.] A community learning committee shall be formed with representatives from the school district, city council, county, student groups, and others to develop a community plan for the implementation of this pilot program and to identify strategies for enhancing community recognition of the value that needs to be placed on education. The committee shall address how agencies will combine resources to collaborate on service delivery to carry out the purposes of the pilot school. The school board of independent school district No. 138 shall convene the initial meeting of this committee.

Subd. 4. [TIMELINES.] (a) The board of independent school district No. 138 shall establish this program no later than January 1, 1994. The community learning committee must be convened within 30 days following enactment of this section.

(b) By July 15, 1994, independent school district No. 138 shall submit a report on the pilot program's status to the commissioner of education, the state board of education, and the education committees of the legislature.

(c) By February 1, 1995, independent school district No. 138 shall submit a report on the program's initial year to the commissioner of education, the state board of education, and the education committees of the legislature. The report must document the impact of the pilot program on student performance in meeting outcomes, changes in student social behaviors and student health, family involvement in the school and the impact of that involvement, agency collaboration in providing school-based services, and other community participation.

#### Sec. 43. [COLLABORATIVE GRANTS.]

Subdivision 1. [APPLICATIONS FOR COLLABORATIVE PLANNING GRANTS.] By August 1, 1993, the children's cabinet shall publish procedures for applying for and awarding planning grants under subdivision 2. Local collaboratives may obtain an application from the commissioner of education, human services, or health and must submit the completed application to the children's cabinet. The applicant must indicate the amount of the planning grant being sought and how the applicant will use the grant funds.

Subd. 2. [DISTRIBUTION OF PLANNING GRANTS.] By February 1, 1994, the children's cabinet must ensure that planning grant funds are distributed to collaboratives with approved applications. The funds must be geographically distributed throughout the state and balanced between the seven-county metropolitan area and elsewhere throughout the state. No more than 2.5 percent of the appropriation is available to the state to administer and evaluate the grant program. An applicant receiving a grant in fiscal year 1994 may use the grant money in fiscal year 1994 and may carry forward any unencumbered money into fiscal year 1995 or 1996. An applicant receiving a grant in fiscal year 1995 may use the grant money in fiscal year 1995 and may carry forward any unencumbered money into fiscal year 1996.

Subd. 3. [COLLABORATIVE IMPLEMENTATION GRANTS; EVALUATION.] To apply for an implementation grant, a collaborative must submit a plan to the children's cabinet by either December 1, 1993, or December 1, 1994. The plan must indicate the amount of the implementation grant requested and how the grant funds will be used. Grant recipients must use the grant money solely to provide direct services to children and families. Up to one-half of the appropriation available for implementation grants may be awarded to collaboratives with plans received by December 1, 1993, that the cabinet approves. The remaining appropriation is available for grants to collaboratives with plans received by December 1, 1994. The children's cabinet shall review a plan and notify the collaborative within 60 days of receiving the plan whether or not the plan has been approved. No more than 2.5 percent of the appropriation is available to the state to administer and evaluate the grant program. An applicant receiving a grant in fiscal year 1994 may use the grant money in fiscal year 1994 and may carry forward any unencumbered money into fiscal year 1995 or 1996. An applicant receiving a grant in fiscal year 1995 may use the grant money in fiscal year 1995 and may carry forward any unencumbered money into fiscal year 1996.

Subd. 4. [REPORTS BY COLLABORATIVES.] Collaboratives receiving implementation grants must submit a report to the children's cabinet. The report shall describe the progress the collaborative made toward implementing the local plan, how funds received under subdivision 3 were used, the number and type of clients served, and the types of services provided. The report shall be submitted to the children's cabinet by December 31, 1994, by collaboratives whose local plan was approved no later than February 1, 1994, and by December 31, 1995, for those collaboratives whose local plan was approved no later than February 1, 1995. Within two years of the date on which a collaborative receives an implementation grant, a collaborative shall submit a report to the children's cabinet describing the extent to which the collaborative achieved the outcomes developed under Minnesota Statutes, section 121.8355, subdivision 1, clause (1).

Sec. 44. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund or other named fund to the department of education for the fiscal years designated.

Subd. 2. [ADULT BASIC EDUCATION AID.] For adult basic education aid according to Minnesota Statutes, section 124.26, in fiscal year 1994 and 124.2601 in fiscal year 1995:

<u>\$5,904,000</u>	.....	<u>1994</u>
<u>\$7,998,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$911,000 for 1993 and \$4,993,000 for 1994.

The 1995 appropriation includes \$880,000 for 1994 and \$7,118,000 for 1995.

Up to \$275,000 each year may be used for contracts with private, nonprofit organizations for approved programs.

Subd. 3. [ADULTS WITH DISABILITIES PROGRAM AID.] For adults with disabilities programs according to Minnesota Statutes, section 124.2715:

<u>\$670,000</u>	.....	<u>1994</u>
<u>\$670,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel and is available for the second year.

Subd. 4. [ALCOHOL-IMPAIRED DRIVER.] (a) For grants with funds received under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), clause (4):

<u>\$514,000</u>	.....	<u>1994</u>
<u>\$514,000</u>	.....	<u>1995</u>

(b) These appropriations are from the alcohol-impaired driver account of the special revenue fund. Any funds credited for the department of education to the alcohol-impaired driver account of the special revenue fund in excess of the amounts appropriated in this subdivision are appropriated to the department of education and available in fiscal years 1994 and 1995.

(c) Up to \$226,000 each year may be used by the department of education to contract for services to school districts stressing the dangers of driving after consuming alcohol. Of this amount, up to \$133,000 may be used for kids reaching kids programs and up to \$93,000 may be used for the driving under the influence demonstration program. No more than five percent of the amount received may be used for administrative costs by the contract recipients.

(d) Up to \$88,000 each year may be used for grants to support student-centered programs to discourage driving after consuming alcohol.

(e) Up to \$200,000 and any additional funds each year may be used for chemical abuse prevention grants.

Subd. 5. [COMMUNITY EDUCATION AID.] For community education aid according to Minnesota Statutes, section 124.2713:

<u>\$3,182,000</u>	.....	<u>1994</u>
<u>\$3,319,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$496,000 for 1993 and \$2,686,000 for 1994.

The 1995 appropriation includes \$474,000 for 1994 and \$2,845,000 for 1995.

Subd. 6. [ADULT GRADUATION AID.] For adult graduation aid:

<u>\$1,827,000</u>	.....	<u>1994</u>
<u>\$1,986,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$204,000 for 1993 and \$1,623,000 for 1994.

The 1995 appropriation includes \$286,000 for 1994 and \$1,700,000 for 1995.

In the event that the appropriation in either year is insufficient, the adult graduation aid paid to a school district and to a higher education institution shall be prorated equally.

Subd. 7. [HEALTH AND DEVELOPMENTAL SCREENING AID.] For health and developmental screening aid according to Minnesota Statutes, section 123.7045:

<u>\$1,558,000</u>	.....	<u>1994</u>
<u>\$1,550,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$240,000 for 1993 and \$1,318,000 for 1994.

The 1995 appropriation includes \$232,000 for 1994 and \$1,318,000 for 1995.

Any balance in the first year does not cancel but is available in the second year.

Subd. 8. [HEARING IMPAIRED ADULTS.] For programs for hearing impaired adults according to Minnesota Statutes, section 121.201:

<u>\$70,000</u>	.....	<u>1994</u>
<u>\$70,000</u>	.....	<u>1995</u>

Subd. 9. [VIOLENCE PREVENTION GRANTS.] For violence prevention education grants under Minnesota Statutes, section 126.78:

<u>\$1,000,000</u>	.....	<u>1994</u>
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Notwithstanding the geographical distribution requirement in Minnesota Statutes, section 126.78, subdivision 3, the commissioner shall give priority in awarding grants in fiscal year 1994 to eligible school districts that did not receive a grant in fiscal year 1993.

Subd. 10. [GED TESTS.] For payment of 60 percent of the costs of GED tests:

<u>\$180,000</u>	.....	<u>1994</u>
<u>\$180,000</u>	.....	<u>1995</u>

Subd. 11. [GED COORDINATION.] For statewide coordination of the GED program:

<u>\$60,000</u>	.....	<u>1994</u>
<u>\$60,000</u>	.....	<u>1995</u>

Subd. 12. [WAY TO GROW.] For grants for existing way to grow programs according to Minnesota Statutes, section 145.926:

<u>\$950,000</u>	.....	<u>1994</u>
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This appropriation is available until June 30, 1995.

Subd. 13. [SURVEY.] For a survey of students, including those attending alternative education programs:

<u>\$150,000</u>	.....	<u>1995</u>
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Subd. 14. [EARLY CHILDHOOD FAMILY EDUCATION AID.] For early childhood family education aid according to Minnesota Statutes, section 124.2711:

<u>\$13,464,000</u>	.....	<u>1994</u>
<u>\$13,876,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,875,000 for 1993 and \$11,589,000 for 1994.

The 1995 appropriation includes \$2,044,000 for 1994 and \$11,832,000 for 1995.

\$10,000 each year may be spent for evaluation of ECFE programs.

Subd. 15. [ECFE HOME VISITING.] For the early childhood family education program home visiting component according to Minnesota Statutes, section 121.882, subdivision 2b:

<u>\$450,000</u>	.....	<u>1994</u>
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The entire amount is available in 1994.

Subd. 16. [LEARNING READINESS PROGRAM REVENUE.] For revenue for learning readiness programs:

<u>\$9,495,000</u>	.....	<u>1994</u>
<u>\$9,505,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,412,000 for 1993 and \$8,083,000 for 1994.

The 1995 appropriation includes \$1,426,000 for 1994 and \$8,079,000 for 1995.

Any balance in the first year does not cancel but is available in the second year.

\$10,000 each year may be spent for evaluation of learning readiness programs.

Subd. 17. [VIOLENCE PREVENTION COUNCILS.] (a) For grants to cities, counties, and school boards for community violence prevention councils:

<u>\$200,000</u>	.....	<u>1994</u>
<u>\$200,000</u>	.....	<u>1995</u>

(b) During the biennium, councils shall identify community needs and resources for violence prevention and development services that address community needs related to violence prevention.

(c) Any of the funds awarded to school districts but not expended in fiscal year 1994, are available to the award recipient in fiscal year 1995 for the same purposes and activities.

(d) Any portion of the 1994 appropriation not spent in 1994 is available in 1995.

(e) One hundred percent of this aid must be paid in the current fiscal year in the same manner as specified in Minnesota Statutes, section 124.195, subdivision 9.

Subd. 18. [OMBUDSPERSONS.]

<u>\$80,000</u>	.....	<u>1994</u>
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The appropriation is to be distributed in equal amounts to the Indian Affairs Council, the Spanish-Speaking Affairs Council, the Council on Black Minnesotans, and the Council on Asian-Pacific Minnesotans, for purposes of funding the activities of the ombudspersons authorized by Minnesota Statutes, sections 257.0755 to 257.0768. Any balance in 1994 is available until June 30, 1995.

Subd. 19. [NORTH BRANCH GRANT.] For a grant to independent school district No. 138, North Branch, to develop a community school program:

<u>\$200,000</u>	.....	<u>1994</u>
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Any balance in the first year does not cancel but is available in the second year.

Subd. 20. [LOCAL COLLABORATIVES.] For grants to local collaboratives according to section 43, subdivisions 2 and 3:

<u>\$5,000,000</u>	.....	<u>1994</u>
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\$1,500,000 is for collaborative planning grants.

Up to \$130,000 of the sum listed above is for the legislative coordinating commission for purposes of carrying out the responsibilities under Minnesota Statutes, section 3.873.

Up to \$400,000 is for the office of strategic and long-range planning for development of a statewide children's service database and for staffing the children's cabinet.

Any portion of this sum not spent on planning grants shall be used for implementation grants.

\$3,500,000 is for collaborative implementation grants.

The amounts appropriated under this subdivision do not cancel but are available until June 30, 1996.

Subd. 21. [EXTENDED DAY AID.] For extended day aid according to Minnesota Statutes, section 124.2716:

<u>\$340,000</u>	.....	<u>1995</u>
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Sec. 45. [REPEALER.]

Minnesota Statutes 1992, sections 126.22, subdivision 2a; and 145.926, are repealed.

Sec. 46. [EFFECTIVE DATES.]

Section 33 is effective July 1, 1993, and apply to the 1993-1994 school year and later school years. Sections 26 and 30 are effective for the 1993, payable 1994 levies.

## ARTICLE 5

### FACILITIES

Section 1. Minnesota Statutes 1992, section 121.912, is amended by adding a subdivision to read:

Subd. 8. [ENERGY CONSERVATION FUND TRANSFERS.] A school district that has contracted with a provider of energy conservation improvements, or a school district that has received a loan from a public utility to make energy conservation improvements may annually transfer from the general fund to the capital expenditure fund, the amount related to the energy savings of the energy conservation improvements.

Sec. 2. Minnesota Statutes 1992, section 123.36, is amended by adding a subdivision to read:

Subd. 15. [USE OF BUILDINGS BY LOWER GRADES.] (a) In addition to the protections provided in existing building and fire code rules and standards, the following alternatives apply for existing school buildings:

(1) rooms occupied by preschool, kindergarten, and first and second grade students for classrooms, latchkey, day care, early childhood family education or teen parent or similar programs may be located on any floor level below the fourth story of a school building if the building is protected throughout by a complete automatic sprinkler system and a complete automatic fire alarm system consisting of automatic smoke detection throughout the exit system and approved smoke detection in all rooms and areas other than classrooms and offices;

(2) rooms used by preschool, kindergarten, or first grade students for classrooms, latchkey, day care, early childhood family education or teen parent or similar programs, must be located on the story of exit discharge, and rooms used by second grade students, for any purpose, must be located on the story of exit discharge or one story above unless one of the following conditions is met:

(i) a complete automatic sprinkler system is provided throughout the building, the use of the affected room or space is limited to one grade level at a time, and exiting is provided from the affected room or space which is independent from the exiting system used by older students; or

(ii) a complete approved automatic fire alarm system is installed throughout the building consisting of automatic smoke detection throughout the exit system and approved detection in all rooms and areas other than classrooms and offices, the use of the affected room or space is limited to one grade level at a time and exiting is provided from the affected room or space which is independent from the exiting system used by older students.

(b) For purposes of paragraph (a), clause (2), pupils from second grade down are considered one grade level.

(c) Accessory spaces, including gymnasiums, cafeterias, media centers, auditoriums, libraries, and band and choir rooms, which are used on an occasional basis by preschool, kindergarten, and first and second grade students are permitted to be located one level above or one level below the story of exit discharge, provided the building is protected throughout by a complete automatic sprinkler system or a complete approved corridor smoke detection system.

(d) Paragraphs (a) and (c) supersede any contrary provisions of the state fire code or state building code and rules relating to those codes must be amended by the state agencies having jurisdiction of them.

(e) Paragraphs (a) to (d) are effective for new school buildings beginning July 1, 1994.

Sec. 3. [124.239] [ALTERNATIVE FACILITIES BONDING AND LEVY PROGRAM.]

Subdivision 1. [TO QUALIFY.] An independent or special school district qualifies to participate in the alternative facilities bonding and levy program if the district has:

(1) more than 66 students per grade;

(2) over 1,850,000 square feet of space;

(3) average age of building space is 20 years or older;

(4) insufficient funds from projected health and safety revenue and capital facilities revenue to meet the requirements for deferred maintenance, to make accessibility improvements, or to make fire, safety, or health repairs; and

(5) a ten-year facility plan approved by the commissioner according to subdivision 2.

Subd. 2. [TEN-YEAR PLAN.] (a) A qualifying district must have a ten-year facility plan approved by the commissioner that includes an inventory of projects and costs that would be eligible for:

(1) health and safety revenue;

(2) disabled access levy; and

(3) deferred capital expenditures and maintenance projects necessary to prevent further erosion of facilities.

(b) The school district must:

(1) annually update the plan;

(2) biennially submit a facility maintenance plan; and

(3) indicate whether the district will issue bonds to finance the plan or levy for the costs.

Subd. 3. [BOND AUTHORIZATION.] A school district, upon approval of its school board and the commissioner, may issue general obligation bonds under this section to finance approved facilities plans. Chapter 475, except sections 475.58 and 475.59, must be complied with. The district may levy under subdivision 5 for the debt service revenue. The authority to issue bonds under this section is in addition to any bonding authority authorized by this chapter, or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding or net debt limits of this chapter, or any other law other than section 475.53, subdivision 4.

Subd. 4. [LEVY PROHIBITED FOR CAPITAL PROJECTS.] A district that participates in the alternative facilities bonding and levy program is not eligible to levy and cannot receive aid for any capital projects under sections 124.83 and 124.84. A district may levy for health and safety environmental management costs and health and safety regulatory, hazard assessment, record keeping, and maintenance programs as defined in section 19 and approved by the commissioner.

Subd. 5. [LEVY AUTHORIZED.] A district, after local board approval, may levy for costs related to an approved facility plan as follows:

(a) if the district has indicated to the commissioner that bonds will be issued, the district may levy for the principal and interest payments on outstanding bonds issued according to subdivision 3; or

(b) if the district has indicated to the commissioner that the plan will be funded through levy, the district may levy according to the schedule approved in the plan.

Subd. 6. [SEPARATE ACCOUNT.] A district must establish a separate account under the uniform financial accounting and reporting standards (UFARS) for this program. If the district's levy exceeds the necessary interest and principal payments and noncapital health and safety costs, the district must reserve the revenue to replace future bonding authority, prepay bonds authorized under this program, or make payments on principal and interest.

Sec. 4. Minnesota Statutes 1992, section 124.243, subdivision 1, is amended to read:

Subdivision 1. A school board annually shall, by resolution adopted by a two-thirds vote of its governing body and after notice and hearing, adopt a capital expenditure facilities program. The district shall publish notice of the hearing in its official newspaper at least 20 days before the hearing. A school board may amend its capital expenditure facilities program at any time. The program shall include plans for repair and restoration of existing district-owned facilities and plans for new construction. Plans for new construction and plans for repairs and restoration funded through bond proceeds must be included in the program before notice of the district's intended debt service levy is given to the commissioner for the project costs to be included in the district's required debt service levy under section 124.95 for that year. The program shall include specific provisions to correct any existing health and safety hazards. The program must set forth the facilities to be improved, a schedule of work not more than five years from the adoption or amendment of the program, the estimated cost of the improvements to be made, the estimated property tax effects of the program for the next fiscal year, and the proposed methods of financing the program. The program must be reviewed by the district biennially before July 1 of each odd numbered year, after notice and hearing. After the review, the program may be amended to include the ensuing five year period.

Sec. 5. Minnesota Statutes 1992, section 124.243, subdivision 2, is amended to read:

Subd. 2. [CAPITAL EXPENDITURE FACILITIES REVENUE.] (a) For fiscal years 1994 and 1995, capital expenditure facilities revenue for a district equals \$128 times its actual pupil units for the school year.

(b) For fiscal years 1996 and later, capital expenditure facilities revenue for a district equals \$100 times the district's maintenance cost index times its actual pupil units for the school year.

(c) A district's capital expenditure facilities revenue for a school year shall be reduced if the unreserved balance in the capital expenditure facilities account on June 30 of the prior school year exceeds ~~\$270~~ \$675 times the fund balance pupil units in the prior year as defined in section 124A.26, subdivision 1. If a district's capital expenditure facilities revenue is reduced, the reduction equals the lesser of (1) the amount that the unreserved balance in the capital expenditure facilities account on June 30 of the prior year exceeds ~~\$270~~ \$675 times the fund balance pupil units in the prior year, or (2) the capital expenditure facilities revenue for that year.

(d) For 1996 and later fiscal years, the previous formula revenue equals the amount of revenue computed for the district according to section 124.243 for fiscal year 1995.

(e) Notwithstanding paragraph (b), for fiscal year 1996, the revenue for each district equals 25 percent of the amount determined in paragraph (b) plus 75 percent of the previous formula revenue.

(f) Notwithstanding paragraph (b), for fiscal year 1997, the revenue for each district equals 50 percent of the amount determined in paragraph (b) plus 50 percent of the previous formula revenue.

(g) Notwithstanding paragraph (b), for fiscal year 1998, the revenue for each district equals 75 percent of the amount determined in paragraph (b) plus 25 percent of the previous formula revenue.

(h) The revenue in paragraph (b) for a district that operates a program under section 121.585, is increased by an amount equal to \$15 times the number of actual pupil units at the site where the program is implemented.

Sec. 6. Minnesota Statutes 1992, section 124.243, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION TO FUND BALANCE REDUCTION.] A district may apply to the commissioner for approval for an unreserved fund balance in its capital expenditure facilities account that exceeds \$270 per fund balance pupil unit for a period not to exceed ~~three~~ five years. If the commissioner approves the district's application, the district's capital expenditure facilities revenue shall not be reduced according to subdivision 2. The commissioner may approve a district's application for an exception only if the use of the district's capital expenditure facilities funds are consistent with plans adopted according to subdivision 1.

Sec. 7. Minnesota Statutes 1992, section 124.243, subdivision 6, is amended to read:

Subd. 6. [USES OF REVENUE.] Capital expenditure facilities revenue may be used only for the following purposes:

- (1) to acquire land for school purposes;
- (2) to acquire or construct buildings for school purposes, ~~if approved by the commissioner of education according to applicable statutes and rules up to \$400,000;~~
- (3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;
- (4) to improve and repair school sites and buildings, and equip or reequip school buildings with permanent attached fixtures;
- (5) for a surplus school building that is used substantially for a public nonschool purpose;
- (6) to eliminate barriers or increase access to school buildings by individuals with a disability;
- (7) to bring school buildings into compliance with the uniform fire code adopted according to chapter 299F;
- (8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
- (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01;
- (11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;
- (12) to improve buildings that are leased according to section 123.36, subdivision 10;
- (13) to pay special assessments levied against school property but not to pay assessments for service charges;
- (14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the northeast Minnesota economic protection trust fund act according to sections 298.292 to 298.298; and
- (15) to purchase or lease interactive telecommunications equipment.

Sec. 8. Minnesota Statutes 1992, section 124.243, subdivision 8, is amended to read:

Subd. 8. [FUND TRANSFERS.] (a) Money in the account for capital expenditure facilities revenue must not be transferred into any other account or fund, except that as specified in this subdivision.

(b) The school board may, by resolution, transfer money into the debt redemption fund to pay the amounts needed to meet, when due, principal and interest payments on certain obligations issued according to chapter 475.

(c) A school board may transfer all or a part of its capital expenditure facilities revenue to its capital expenditure equipment account if:

- (1) the district has only one facility and that facility is less than ten years old; or
- (2) the district receives approval from the commissioner to make the transfer.

(d) In considering approval of a transfer under paragraph (c), clause (2), the commissioner must consider the district's facility needs.

Sec. 9. Minnesota Statutes 1992, section 124.243, is amended by adding a subdivision to read:

Subd. 12. [MAINTENANCE COST INDEX.] (a) A district's maintenance cost index is equal to the ratio of:

- (1) the total weighted square footage for all eligible district-owned facilities; and
- (2) the total unweighted square footage of these facilities.

(b) The department shall determine a district's maintenance cost index annually. Eligible district owned facilities shall include only instructional or administrative square footage owned by the district. The commissioner of education may adjust the age of a building or addition for major renovation projects.

(c) The square footage weighting factor for each original building or addition equals the lesser of:

- (1) one plus the ratio of the age in years to 100; or
- (2) 1.5.

(d) The weighted square footage for each original building or addition equals the product of the unweighted square footage times the square footage weighting factor.

Sec. 10. Minnesota Statutes 1992, section 124.244, subdivision 1, is amended to read:

Subdivision 1. [REVENUE AMOUNT.] (a) For fiscal years 1994 and 1995, the capital expenditure equipment revenue for each district equals \$63 times its actual pupil units counted according to section 124.17, subdivision 1, for the school year.

(b) For fiscal years 1996 and later, the capital expenditure equipment revenue for each district equals \$68 times its actual pupil units for the school year.

Sec. 11. [124.2455] [BONDS FOR CERTAIN CAPITAL FACILITIES.]

(a) In addition to other bonding authority, with approval of the commissioner, a school district may issue general obligation bonds for certain capital projects under this section. The bonds must be used only to make capital improvements including:

- (1) under section 124.243, subdivision 6, capital expenditure facilities revenue uses specified in clauses (4), (6), (7), (8), (9), and (10);
- (2) the cost of energy modifications;
- (3) improving handicap accessibility to school buildings; and
- (4) bringing school buildings into compliance with life and safety codes and fire codes.

(b) Before a district issues bonds under this subdivision, it must publish notice of the intended projects, the amount of the bond issue, and the total amount of district indebtedness.

(c) A bond issue tentatively authorized by the board under this subdivision becomes finally authorized unless a petition signed by more than 15 percent of the registered voters of the school district is filed with the school board within 30 days of the board's adoption of a resolution stating the board's intention to issue bonds. The percentage is to be determined with reference to the number of registered voters in the school district on the last day before the petition is filed with the school board. The petition must call for a referendum on the question of whether to issue the bonds for the projects under this section. The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this section.

(d) The bonds may be issued in a principal amount, that when combined with interest thereon, will be paid off with not more than 50 percent of current and anticipated revenue for capital facilities under this section or a successor section for the current year plus projected revenue not greater than that of the current year for the next ten years. Once finally authorized, the district must set aside the lesser of the amount necessary to make the principal and interest payments or 50 percent of the current year's revenue for capital facilities under this section or a successor section each year in a separate account until all principal and interest on the bonds is paid. The district must annually transfer this amount from its capital fund to the debt redemption fund. The bonds must be paid off within ten years of issuance. The bonds must be issued in compliance with chapter 475, except as otherwise provided in this section.

Sec. 12. Minnesota Statutes 1992, section 124.37, is amended to read:

124.37 [POLICY AND PURPOSE.]

The rates of increase in school population in Minnesota and population shifts and economic changes in recent years, and anticipated in future years, have required and will require large expenditures for performing the duty of the state and its subdivisions to provide a general and uniform system of public schools. The state policy has been to require these school costs to be borne primarily by the local subdivisions. In most instances the local subdivisions have been, and will be, able to provide the required funds by local taxation as supplemented by the aids usually given to all school districts from state income tax and other state aids. There are, however, exceptional cases due to local conditions not found in most other districts where, either temporarily or over a considerable period of years, the costs will exceed the maximum which the local taxpayers can be reasonably expected to bear. In some districts having bonds of several issues outstanding, debt service tax levy requirements are excessive for some years because of heavy bond principal payments accumulating in some of the years due to overlapping or short term issues. The policy and purpose of sections 124.36 to 124.47 is to utilize the credit of the state, to a limited degree, to relieve those school districts, but only those, where the maximum effort by the district is inadequate to provide the necessary money. It is also the purpose of sections 124.36 to 124.47 to promote efficient use of school buildings. To that end, a district that receives a maximum effort loan is encouraged to design and use its facility to integrate social services and library services.

Sec. 13. Minnesota Statutes 1992, section 124.38, is amended by adding a subdivision to read:

Subd. 4a. [LEVY.] "Levy" means a district's net debt service levy after the reduction of debt service equalization aid under section 124.95, subdivision 5. For taxes payable in 1994 and later, each district's maximum effort debt service levy for purposes of subdivision 7, shall be reduced by an equal number of percentage points if the commissioner determines that the levy reduction will not result in a statewide property tax as would be required under Minnesota Statutes 1992, section 124.46, subdivision 3. A district's levy that is adjusted under this section shall not be reduced below 18.74 percent of the district's adjusted net tax capacity.

Sec. 14. Minnesota Statutes 1992, section 124.431, subdivision 1, is amended to read:

Subdivision 1. [CAPITAL LOAN REQUESTS AND USES.] Capital loans are available only to qualifying districts. Capital loans must not be used for the construction of swimming pools, ice arenas, athletic facilities, auditoriums, ~~day care centers~~, bus garages, or heating system improvements. Proceeds of the loans may be used only for sites for education facilities and for acquiring, bettering, furnishing, or equipping education facilities. Contracts must be entered into within 18 months after the date on which each loan is granted. For purposes of this section, "education facilities" includes space for Head Start programs and social service programs.

Sec. 15. Minnesota Statutes 1992, section 124.431, subdivision 1a, is amended to read:

Subd. 1a. [CAPITAL LOANS ELIGIBILITY.] Beginning July 1, 1992, a district is not eligible for a capital loan unless the district's estimated net debt tax rate as computed by the commissioner after debt service equalization aid would be more than 20 percent of adjusted net tax capacity. The estimate must assume a 20-year maturity schedule for new debt.

Sec. 16. Minnesota Statutes 1992, section 124.431, subdivision 2, is amended to read:

Subd. 2. [DISTRICT REQUEST FOR REVIEW AND COMMENT.] A school district or a joint powers district that intends to apply for a capital loan must submit a proposal to the commissioner for review and comment according to section 121.15 on or before July 1. The commissioner must prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to construct the facility. In addition to the information provided under section 121.15, subdivision 7, the commissioner shall consider the following criteria in determining whether to make a positive review and comment.

(a) To grant a positive review and comment the commissioner must determine that all of the following conditions are met:

- (1) the facilities are needed for pupils for whom no adequate facilities exist or will exist;
- (2) the district will serve, on average, at least 80 pupils per grade or is eligible for sparsity revenue;
- (3) no form of cooperation with another district would provide the necessary facilities;
- (4) the facilities are comparable in size and quality to facilities recently constructed in other districts that have similar enrollments;
- (5) the facilities are comparable in size and quality to facilities recently constructed in other districts that are financed without a capital loan;
- (6) the district is projected to maintain or increase its average daily membership over the next five years or is eligible for sparsity revenue;
- (7) the current facility poses a threat to the life, health, and safety of pupils, and cannot reasonably be brought into compliance with fire, health, or life safety codes;
- (8) the district has made a good faith effort, as evidenced by its maintenance expenditures, to adequately maintain the existing facility during the previous ten years and to comply with fire, health, and life safety codes and state and federal requirements for handicapped accessibility; and
- (9) the district has made a good faith effort to encourage integration of social service programs within the new facility; and
- (10) evaluations by school boards of adjacent districts have been received.

(b) The commissioner may grant a negative review and comment if:

- (1) the state demographer has examined the population of the communities to be served by the facility and determined that the communities have not grown during the previous five years;
- (2) the state demographer determines that the economic and population bases of the communities to be served by the facility are not likely to grow or to remain at a level sufficient, during the next ten years, to ensure use of the entire facility;
- (3) the need for facilities could be met within the district or adjacent districts at a comparable cost by leasing, repairing, remodeling, or sharing existing facilities or by using temporary facilities;
- (4) the district plans do not include cooperation and collaboration with health and human services agencies and other political subdivisions; or
- (5) if the application is for new construction, an existing facility that would meet the district's needs could be purchased at a comparable cost from any other source within the area.

Sec. 17. Minnesota Statutes 1992, section 124.431, subdivision 14, is amended to read:

Subd. 14. [BOND SALE LIMITATIONS.] A district having an outstanding state loan must not issue and sell any bonds on the public market, except to refund state loans, unless it agrees to make the maximum effort debt service levy in each later year at the higher rate provided in section 124.38, subdivision 7, and unless it schedules the maturities of the bonds according to section 475.54, subdivision 2. A district that refunds bonds at a lower interest rate may continue to make the maximum effort debt service levy in each later year at the current rate provided in section 124.38, subdivision 7, if the district can demonstrate to the commissioner's satisfaction that the district's repayments of the state loan will not be reduced below the previous year's level. The district shall report each sale to the commissioner of education.

After a district's capital loan has been outstanding for 20 years, the district must not issue bonds on the public market except to refund the loan.

Sec. 18. Minnesota Statutes 1992, 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 not to exceed the lesser of ~~\$6,000,000~~ \$5,000,000 or 75 percent of the approved construction costs of a cooperative secondary education facility.

Sec. 19. Minnesota Statutes 1992, section 124.494, subdivision 2, is amended to read:

Subd. 2. [REVIEW BY COMMISSIONER.] (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

- (1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than 1,200 pupils, enter into a joint powers agreement;
- (2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;
- (3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;
- (4) at least 198 pupils would be served in grades 10 to 12, 264 pupils would be served in grades 9 to 12, or 396 pupils would be served in grades 7 to 12;
- (5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;
- (6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;
- (7) an educational plan is prepared, that includes input from both community and professional staff;
- (8) a combined seniority list for all participating districts is developed by the joint powers board;
- (9) an education program is developed that provides for more learning opportunities and course offerings, including the offering of advanced placement courses, for students than is currently available in any single member district;
- (10) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical; and

(11) the joint powers board established under clause (2) discusses with technical colleges located in the area how vocational education space in the cooperative secondary facility could be jointly used for secondary and post-secondary purposes.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

(c) For the purpose of paragraph (a), clause (8), each school district must be considered to have started school each year on the same date.

(d) The districts may develop a plan that provides for the location of social service, health, and other programs serving pupils and community residents within the cooperative secondary facility. The commissioner shall consider this plan when preparing a review and comment on the proposed facility.

(e) The districts shall schedule and conduct a meeting on library services. The school districts, in cooperation with the regional public library system and its appropriate member libraries, shall discuss the possibility of including jointly operated library services at the cooperative secondary facility.

Sec. 20. Minnesota Statutes 1992, section 124.494, is amended by adding a subdivision to read:

Subd. 4a. [COLOCATION GRANT.] A group of districts that receives a grant under subdivision 4 is also eligible to receive an additional grant in the amount of \$1,000,000. To receive the additional grant, the group of districts must develop a plan under subdivision 2, paragraph (d), that provides for the location of a significant number of noneducational student and community service programs within the cooperative secondary facility.

Sec. 21. [124.829] [HEALTH, SAFETY, AND ENVIRONMENTAL MANAGEMENT.]

"Health, safety, and environmental management" means school district activities necessary for a district's compliance with state law and rules of the departments of health, labor and industry, public safety, and pollution control agency as well as any related federal standards. These activities include hazard assessment, required training, record keeping, and program management.

Sec. 22. Minnesota Statutes 1992, section 124.83, subdivision 1, is amended to read:

Subdivision 1. [HEALTH AND SAFETY PROGRAM.] To receive health and safety revenue for any fiscal year a district, including an intermediate district, must submit to the commissioner of education an application for aid and levy by the date determined by the commissioner. The application may be for hazardous substance removal, fire ~~code compliance~~, ~~or~~ and life safety ~~code repairs~~, ~~labor and industry regulated facility and equipment violations~~, and health, safety, and environmental management. The application must include a health and safety program adopted by the school district board. The program must include the estimated cost, ~~per building~~, of the program by fiscal year.

Sec. 23. Minnesota Statutes 1992, section 124.83, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF PROGRAM.] A district ~~may~~ must adopt a health and safety program. The program ~~may~~ must include plans, ~~where applicable~~, for hazardous substance removal, fire ~~code compliance~~, ~~or~~ and life safety ~~code repairs~~, ~~regulated facility and equipment violations~~, and health, safety, and environmental management.

(a) A hazardous substance plan must contain provisions for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, and cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel, oil, and special fuel, as defined in section 296.01. If a district has already developed a plan for the removal or encapsulation of asbestos as required by the federal Asbestos Hazard Emergency Response Act of 1986, a new plan is not necessary the district may use a summary of that plan, which includes a description and schedule of response actions, for purposes of this section. The plan must also contain provisions to make modifications to existing facilities and equipment necessary to limit personal exposure to hazardous substances, as regulated by the federal Occupational Safety and Health Administration under Code of Federal Regulations, title 29, part 1910, subpart Z, or is determined by the commissioner to present a significant risk to district staff or student health and safety as a result of foreseeable use, handling, accidental spill, exposure, or contamination.

(b) A fire and life safety plan must contain a description of the current fire and life safety code violation violations, a plan for the removal or repair of the fire and life safety hazard, and a description of safety preparation and awareness procedures to be followed until the hazard is fully corrected.

~~A life safety plan must contain a description of the life safety hazard and a plan for its removal or repair.~~

(c) A facilities and equipment violation plan must contain provisions to correct health and safety hazards as provided in department of labor and industry standards pursuant to section 182.655.

(d) A health, safety, and environmental management plan must contain a description of training, record keeping, hazard assessment, and program management as defined in section 124.829.

(e) A plan to test for and mitigate radon produced hazards.

Sec. 24. Minnesota Statutes 1992, section 124.83, subdivision 4, is amended to read:

Subd. 4. [HEALTH AND SAFETY LEVY.] To receive health and safety revenue, a district may levy an amount equal to the district's health and safety revenue as defined in subdivision 3 multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year preceding the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable, to ~~\$3,515~~ 50 percent of the equalizing factor.

Sec. 25. Minnesota Statutes 1992, section 124.83, subdivision 6, is amended to read:

Subd. 6. [USES OF HEALTH AND SAFETY REVENUE.] Health and safety revenue may be used only for approved expenditures necessary to correct fire safety hazards, life safety hazards, or for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01, labor and industry regulated facility and equipment hazards, and health, safety, and environmental management. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms. The revenue may not be used for a building or property or part of a building or property used for post-secondary instruction or administration or for a purpose unrelated to elementary and secondary education.

Sec. 26. Minnesota Statutes 1992, section 124.83, is amended by adding a subdivision to read:

Subd. 8. [HEALTH, SAFETY, AND ENVIRONMENTAL MANAGEMENT COST.] (a) A district's cost for health, safety, and environmental management is limited to the lesser of:

(1) actual cost to implement their plan; or

(2) an amount determined by the commissioner, based on enrollment, building age, and size.

(b) Effective July 1, 1993, the department of education may contract with regional service organizations, private contractors, Minnesota safety council, or state agencies to provide management assistance to school districts for health and safety capital projects. Management assistance is the development of written programs for the identification, recognition and control of hazards, and prioritization and scheduling of district health and safety capital projects.

(c) Notwithstanding paragraph (b), the department may approve revenue, up to the limit defined in paragraph (a) for districts having an approved health, safety, and environmental management plan that uses district staff to accomplish coordination and provided services.

Sec. 27. Minnesota Statutes 1992, section 124.85, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Energy conservation measure" means a training program or facility alteration designed to reduce energy consumption or operating costs and includes:

(1) insulation of the building structure and systems within the building;

(2) storm windows and doors, caulking or weatherstripping, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;

(3) automatic energy control systems;

(4) heating, ventilating, or air conditioning system modifications or replacements;

(5) replacement or modifications of lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility, unless such increase in illumination is necessary to conform to the applicable state or local building code for the lighting system after the proposed modifications are made;

(6) energy recovery systems;

(7) cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;

(8) energy conservation measures that provide long-term operating cost reductions.

(b) "Guaranteed energy savings contract" means a contract for the evaluation and recommendations of energy conservation measures, and for one or more energy conservation measures. The contract must provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time, but not to exceed ~~ten~~ 25 years from the date of final installation, and the savings are guaranteed to the extent necessary to make payments for the systems.

(c) "Qualified provider" means a person or business experienced in the design, implementation, and installation of energy conservation measures. A qualified provider to whom the contract is awarded shall give a sufficient bond to the school district for its faithful performance.

Sec. 28. Minnesota Statutes 1992, section 124.85, subdivision 4, is amended to read:

Subd. 4. [DISTRICT ACTION.] A district may enter into a guaranteed energy savings contract with a qualified provider if, after review of the report, it finds that the amount it would spend on the energy conservation measures recommended in the report is not likely to exceed the amount to be saved in energy and operation costs over ~~ten~~ 25 years from the date of installation if the recommendations in the report were followed, and the qualified provider provides a written guarantee that the energy or operating cost savings will meet or exceed the costs of the system. The guaranteed energy savings contract may provide for payments over a period of time, not to exceed ~~ten~~ 25 years. Notwithstanding section 121.912, a district annually may transfer from the general fund to the capital expenditure fund an amount up to the amount saved in energy and operation costs as a result of guaranteed energy savings contracts.

Sec. 29. Minnesota Statutes 1992, section 124.85, subdivision 5, is amended to read:

Subd. 5. [INSTALLATION CONTRACTS.] A school district may enter into an installment payment contract for the purchase and installation of energy conservation measures. The contract must provide for payments of not less than ~~one tenth~~ 1/25 of the price to be paid within two years from the date of the first operation, and the remaining costs to be paid monthly, not to exceed a ~~ten-year~~ 25-year term from the date of the first operation.

Sec. 30. Minnesota Statutes 1992, section 124.91, subdivision 3, is amended to read:

Subd. 3. [POST-JUNE 1992 LEASE PURCHASE, INSTALLMENT BUYS.] (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, a district, as defined in this subdivision, may:

(1) purchase real property under an installment contract or may lease real property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b)(1) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law.

(2) An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

~~(3) The district may terminate the installment contract or lease purchase agreement at the end of any fiscal year during its term.~~

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) In this subdivision, "district" means:

(1) a school district required to have a comprehensive plan for the elimination of segregation whose plan has been determined by the commissioner to be in compliance with the state board of education rules relating to equality of educational opportunity and school desegregation; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) Projects may be approved under this section by the commissioner in fiscal years 1993, 1994, and 1995 only.

Sec. 31. Minnesota Statutes 1992, section 124.95, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the ~~required~~ eligible debt service ~~levy~~ revenue of a district is defined as follows:

(1) the amount needed to produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations, ~~excluding obligations under section 124.2445~~, of the district for eligible projects according to subdivision 2, including the amounts necessary for repayment of energy loans according to section 216C.37 or sections 298.292 to 298.298, debt service loans and capital loans, lease purchase payments under section 124.91, subdivisions 2 and 3, minus

(2) the amount of debt service excess levy reduction for that school year calculated according to the procedure established by the commissioner.

(b) The obligations in this paragraph are excluded from eligible debt service revenue:

(1) obligations under section 124.2445;

(2) the part of debt service principal and interest paid from the taconite environmental protection fund or northeast Minnesota economic protection trust; and

(3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as amended by Laws 1992, chapter 499, article 5, section 24.

(c) For purposes of this section, if a preexisting school district reorganized under section 122.22, 122.23, or 122.241 to 122.248 is solely responsible for retirement of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt service equalization aid must be computed separately for each of the preexisting school districts.

Sec. 32. Minnesota Statutes 1992, section 124.95, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] (a) The following portions of a district's debt service levy qualify for debt service equalization:

(1) debt service for repayment of principal and interest on bonds issued before July 2, 1992;

(2) debt service for bonds refinanced after July 1, 1992, if the bond schedule has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule; and

(3) debt service for bonds issued after July 1, 1992, for construction projects that have received a positive review and comment according to section 121.15, if the commissioner has determined that the district has met the criteria under section 124.431, subdivision 2, and if the bond schedule has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule.

(b) The criterion in section 124.431, subdivision 2, paragraph (a), clause (2), shall be considered to have been met if the district in the fiscal year in which the bonds are authorized at an election conducted under chapter 475:

(i) serves an average of at least 66 pupils per grade in the grades to be served by the facility; or

(ii) is eligible for sparsity revenue.

(c) The criterion described in section 124.431, subdivision 2, paragraph (a), clause (9), does not apply to bonds authorized by elections held before July 1, 1992.

(d) Districts identified in Laws 1990, chapter 562, article 11, section 8, do not need to meet the criteria of section 124.431, subdivision 2, to qualify.

Sec. 33. Minnesota Statutes 1992, section 124.95, subdivision 2a, is amended to read:

Subd. 2a. [NOTIFICATION.] A district eligible for debt service equalization revenue under subdivision 2 must notify the commissioner of the amount of its intended debt service levy revenue calculated under subdivision 1 for all bonds sold prior to the notification by July 1 of the calendar year the levy is certified.

Sec. 34. Minnesota Statutes 1992, section 124.95, subdivision 3, is amended to read:

Subd. 3. [DEBT SERVICE EQUALIZATION REVENUE.] (a) For fiscal years 1995 and later, the debt service equalization revenue of a district equals the ~~required~~ eligible debt service levy revenue minus the amount raised by a levy of ten percent times the adjusted net tax capacity of the district.

(b) For fiscal year 1993, debt service equalization revenue equals one-third of the amount calculated in paragraph (a).

(c) For fiscal year 1994, debt service equalization revenue equals two-thirds of the amount calculated in paragraph (a).

Sec. 35. Minnesota Statutes 1992, section 124.961, is amended to read:

124.961 [DEBT SERVICE APPROPRIATION.]

(a) \$6,000,000 is appropriated in fiscal year 1993 from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. \$17,000,000 in fiscal year 1994 and ~~\$21,000,000~~ \$26,000,000 in fiscal year 1995 and each year thereafter is appropriated from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. The 1994 appropriation includes \$3,000,000 for 1993 and \$14,000,000 for 1994.

(b) ~~These amounts~~ The appropriations in paragraph (a) must be reduced by the amount of any money specifically appropriated for the same purpose in any year from any state fund.

Sec. 36. [124C.60] [CAPITAL FACILITIES AND EQUIPMENT GRANTS FOR COOPERATION AND COMBINATION.]

Subdivision 1. [ELIGIBILITY.] Two or more districts that have a cooperation and combination plan approved by the state board of education under section 122.242, may apply for a grant of up to \$100,000 under this section. The grant must be awarded after the districts combine according to sections 122.241 to 122.248.

Subd. 2. [PROCEDURES.] The state board shall establish procedures and deadlines for the grant application. The state board shall review each application and may require modifications consistent with sections 122.241 to 122.248.

Subd. 3. [USE OF GRANT MONEY.] The grant money may be used for any capital expenditures specified in section 124.243 or 122.244.

Sec. 37. Minnesota Statutes 1992, section 134.31, subdivision 1, is amended to read:

Subdivision 1. The state shall, as an integral part of its responsibility for public education, support the provision of library service for every citizen ~~and~~, the development of cooperative programs for the sharing of resources and services among all libraries, and the establishment of jointly operated library services at a single location where appropriate.

Sec. 38. Minnesota Statutes 1992, section 134.31, subdivision 2, is amended to read:

Subd. 2. The department of education shall give advice and instruction to the managers of any public library or to any governing body maintaining a library or empowered to do so by law upon any matter pertaining to the organization, maintenance, or administration of libraries. The department may also give advice and instruction, as requested, to post-secondary educational institutions, state agencies, governmental units, nonprofit organizations, or private entities. It shall assist, to the extent possible, in the establishment and organization of library service in those areas where adequate services do not exist, and may aid in improving previously established library services. The department shall also provide assistance to school districts, regional library systems, and member libraries interested in offering joint library services at a single location.

Sec. 39. Minnesota Statutes 1992, section 134.32, subdivision 8, is amended to read:

Subd. 8. (a) The state board shall promulgate rules consistent with sections 134.32 to 134.35 governing:

(a) (1) applications for these grants;

~~(b) (2) computation formulas for determining the amounts of establishment grants and regional library basic system support grants; and~~

(e) (3) eligibility criteria for grants.

(b) To the extent allowed under federal law, a construction grant applicant, in addition to the points received under Minnesota Rules, part 3530.2632, shall receive an additional five points if the construction grant is for a project combining public library services and school district library services at a single location.

Sec. 40. Minnesota Statutes 1992, section 475.61, subdivision 3, is amended to read:

Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except as provided in this subdivision.

In each year when there is on hand any excess amount in the debt redemption fund of a school district at the time the district makes its property tax levies, the amount of the excess shall be certified by the school board to the ~~county auditor commissioner~~. The commissioner shall report the amount of the excess to the county auditor and the auditor shall reduce the tax levy otherwise to be included in the rolls next prepared by the amount certified. The commissioner shall prescribe the form and calculation to be used in computing the excess amount. The school board may, with the approval of the commissioner, retain the excess amount if it is necessary to ensure the prompt and full payment of the obligations and any call premium on the obligations, or will be used for redemption of the obligations in accordance with their terms. The school board may, with the approval of the commissioner, specify a tax levy in a higher amount if necessary because of anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.

If the governing body, including the governing body of a school district, in any year makes an irrevocable appropriation to the debt service fund of money actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

## Sec. 41. [FACILITY REVENUE USE.]

Notwithstanding section 124.243, subdivision 6, for fiscal years 1994 and 1995, a district may use up to one-third of its capital expenditure facilities revenue for equipment uses under section 124.244.

## Sec. 42. [LEASE LEVY FOR ADMINISTRATIVE SPACE.]

Each year, upon approval of the commissioner of education, independent school district No. 709, Duluth, may levy the amount necessary to rent or lease administrative space so that space being used for administrative purposes as of the effective date of this section can be used for instructional purposes. In granting approval under this section, the commissioner must determine that the overall lease levy for the district would not be higher than it would have been under Minnesota Statutes, section 124.91, subdivision 1.

## Sec. 43. [EXCEPTION TO LEASE LIMIT.]

Notwithstanding any law to the contrary, independent school district No. 861, Winona, may enter into an agreement, for the number of years stated in the agreement, with the city of Rollingstone to lease space for educational purposes.

Upon approval by the commissioner of education, the district may levy for as many years as required under the agreement the amount necessary to make payments required by the agreement. To obtain approval from the commissioner, the district must demonstrate substantial collaboration with the city in the use of the facility. The city must also agree to contribute \$100,000 toward the cost of the education portion of the facility. The amount of the levy shall be annually included in the district's debt service levy under Minnesota Statutes, section 124.95, subdivision 1, for purposes of determining the district's debt service equalization aid.

## Sec. 44. [RADON TESTING; SCHOOL DISTRICTS.]

Subdivision 1. [VOLUNTARY PLAN.] The commissioners of health and education may jointly develop a plan to encourage school districts to accurately and efficiently test for the presence of radon in public school buildings serving students in kindergarten through grade 12. To the extent possible, the commissioners shall base the plan on the standards established by the United States Environmental Protection Agency.

Subd. 2. [RADON TESTING.] A school district may include radon testing as a part of its health and safety plan. If a school district receives authority to use health and safety revenue to conduct radon testing, the district shall conduct the testing according to the radon testing plan developed by the commissioners of health and education.

Subd. 3. [REPORTING.] A school district that has tested its school buildings for the presence of radon shall report the results of its tests to the department of health in a form and manner prescribed by the commissioner of health. A school district that has tested for the presence of radon shall also report the results of its testing at a school board meeting.

## Sec. 45. [CAPITAL LOANS.]

Subdivision 1. [CAPITAL LOAN PRIORITIES.] Notwithstanding Minnesota Statutes, section 124.431, subdivision 5, the capital loan applications and the state board approvals of capital loans for independent school districts No. 727, Big Lake, and No. 707, Nett Lake, do not cancel until July 1, 1995. The school districts listed in this section are the top priority for funding capital loans until July 1, 1995. If either of these capital loan projects remains unfunded, the commissioner shall resubmit the loan application to the legislature by February 1, 1994, and February 1, 1995.

Subd. 2. [MAXIMUM EFFORT LOAN REVIEW.] When bonding is authorized for the capital loans approved in this section, the commissioner shall review the proposed plan and budgets of these maximum effort school loan projects and may reduce the amount of the loan to ensure that the project will be economical. The commissioner may recover the cost incurred by the commissioner for any professional services associated with the final review by reducing the proceeds of the loan paid to the district.

## Sec. 46. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [CAPITAL EXPENDITURE FACILITIES AID.] For capital expenditure facilities aid according to Minnesota Statutes, section 124.243, subdivision 5:

\$73,290,000	.....	1994
\$75,980,000	.....	1995

The 1994 appropriation includes \$10,730,000 for 1993 and \$62,560,000 for 1994.

The 1995 appropriation includes \$11,040,000 for 1994 and \$64,940,000 for 1995.

Subd. 3. [CAPITAL EXPENDITURE EQUIPMENT AID.] For capital expenditure equipment aid according to Minnesota Statutes, section 124.244, subdivision 3:

\$36,049,000	.....	1994
\$37,390,000	.....	1995

The 1994 appropriation includes \$5,279,000 for 1993 and \$30,720,000 for 1994.

The 1995 appropriation includes \$5,430,000 for 1994 and \$31,960,000 for 1995.

Subd. 4. [HEALTH AND SAFETY AID.] (a) For health and safety aid according to Minnesota Statutes, section 124.83, subdivision 5:

\$11,260,000	.....	1994
\$18,924,000	.....	1995

The 1994 appropriation includes \$1,256,000 for 1993 and \$10,004,000 for 1994.

The 1995 appropriation includes \$1,694,000 for 1994 and \$17,230,000 for 1995.

(b) \$400,000 in fiscal year 1994 and \$400,000 in fiscal year 1995 is for health and safety management assistance contracts under section 24.

(c) \$60,000 of each year's appropriation shall be used to contract with the state fire marshal to provide services under Minnesota Statutes, section 121.502. This amount is in addition to the amount for this purpose in article 11.

(d) For fiscal year 1995, the sum of total health and safety revenue and levies under section 3 may not exceed \$64,000,000. The state board of education shall establish criteria for prioritizing district health and safety project applications not to exceed this amount.

(e) Notwithstanding section 124.14, subdivision 7, the commissioner of education, with the approval of the commissioner of finance, may transfer a projected excess in the appropriation for health and safety aid for fiscal year 1995 to the appropriation for debt service aid for the same fiscal year. The projected excess amount and the projected deficit in the appropriation for debt service aid must be determined and the transfer made as of November 1, 1994. The amount of the transfer is limited to the lesser of the projected excess in the health and safety appropriation or the projected deficit in the appropriation for debt service aid. Any transfer must be reported immediately to the education committees of the house of representatives and senate.

Subd. 5. [DEBT SERVICE AID.] For debt service aid according to Minnesota Statutes, section 124.95, subdivision 5:

\$17,018,000	.....	1994
\$26,000,000	.....	1995

\$18,000 of the fiscal year 1994 appropriation is to correct an erroneous proration of debt service equalization aid.

Subd. 6. [LIBRARY DEMONSTRATION GRANT.] For a demonstration grant to encourage jointly operated library services at a single location:

\$30,000	.....	1994
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Within one year of receiving a grant under this subdivision, the grant recipient must evaluate the jointly operated library services and report the results of the evaluation to the legislature.

Subd. 7. [PLANNING AND EXPENSES.] For a grant and administrative expenses to facilitate planning for cooperative secondary facilities for independent school district Nos. 341, Atwater, 461, Cosmos, and 464, Grove City, acting under a joint powers agreement:

\$100,000

.....

1994

Sec. 47. [EFFECTIVE DATE.]

Section 39 is effective July 1, 1996. Sections 18 and 20 are effective for cooperative secondary facilities grants approved by the legislature after January 1, 1994.

## ARTICLE 6

### EDUCATION ORGANIZATION AND COOPERATION

Section 1. Minnesota Statutes 1992, section 120.0621, is amended by adding a subdivision to read:

Subd. 3a. [CANADIAN PUPILS.] A pupil who resides in Canada may enroll in a Minnesota school district if the province in which the pupil resides pays tuition to the school district in which the pupil is enrolled. A pupil may enroll either full-time or part-time for all instructional programs and shall be considered eligible for all other purposes for all other programs offered by the district. The tuition must be an amount that is at least comparable to the tuition specified in section 120.08, subdivision 1. A school district may accept funds from any international agency for these programs.

Sec. 2. Minnesota Statutes 1992, section 121.912, subdivision 6, is amended to read:

Subd. 6. [ACCOUNT TRANSFER FOR REORGANIZING DISTRICTS.] (a) A school district that has reorganized according to section 122.22, 122.23, or sections 122.241 to 122.248 may make permanent transfers between any of the funds in the newly created or enlarged district with the exception of the debt redemption fund, food service fund, and health and safety account of the capital expenditure fund. Fund transfers under this section may be made only during the year following the effective date of reorganization.

(b) A district that has conducted a successful referendum on the question of combination under section 122.243, subdivision 2, may make permanent transfers between any of the funds in the district with the exception of the debt redemption fund, food service fund, and health and safety account of the capital expenditure fund for up to one year prior to the effective date of combination under sections 122.241 to 122.248.

Sec. 3. Minnesota Statutes 1992, section 121.931, subdivision 5, is amended to read:

Subd. 5. [SOFTWARE DEVELOPMENT.] The state board, with the advice of the ESV computer council, commissioner shall provide for the development of applications software for ESV-IS and SDE-IS. The state board may provide state or federal funds for the development of software for an alternative management information system only if it determines that this system may have statewide applicability. Notwithstanding the foregoing, the state board may, for innovative projects involving computers, approve grants to districts pursuant to title IV of the Elementary and Secondary Education Act of 1965 as amended, or any other appropriate statute. The commissioner may charge school districts or regional organizations for the actual cost of software development used by the district or regional entity. Any amount received is annually appropriated to the department of education for this purpose.

Sec. 4. Minnesota Statutes 1992, section 122.22, is amended by adding a subdivision to read:

Subd. 21. (a) In the year prior to the effective date of the dissolution of a district, the school board of a district to which all of the dissolving district is to be attached may adopt a resolution directing the school board of the dissolving district to certify levies for general education, basic transportation, and capital expenditure equipment and facilities in an amount not to exceed the maximum amount authorized for the dissolving district for taxes payable in the year the dissolution is effective. If the dissolving district is to be attached to more than one school district, the boards of the districts to which the dissolving district is to be attached may adopt a joint resolution that accomplishes the purpose in this paragraph.

(b) Notwithstanding any other law to the contrary, upon receipt of a resolution under paragraph (a), the board of the dissolving district must certify levies in the amounts specified in the resolution for taxes payable in the year the dissolution is effective.

Sec. 5. Minnesota Statutes 1992, section 122.242, subdivision 9, is amended to read:

Subd. 9. [FINANCES.] The plan must state:

(1) whether debt service for the bonds outstanding at the time of combination remains solely with the district that issued the bonds or whether all or a portion of the debt service for the bonds will be assumed by the combined district and paid by the combined district on behalf of the district that issued the bonds;

(2) whether obligations for a capital loan or energy loan made according to section 216C.37 or sections 298.292 to 298.298 outstanding at the time of combination remain solely with the district that obtained the loan, or whether all or a portion of all the loan obligations will be assumed by the combined district and paid by the combined district on behalf of the district that obtained the loan;

(3) the treatment of debt service levies, down payment levies under section 124.82, and referendum levies;

(4) whether the cooperating or combined district will levy for reorganization operating debt according to section 121.915, clause (1); and

(5) two- and five-year projections, prepared by the department of education upon the request of any district, of revenues, expenditures, and property taxes for each district if it cooperated and combined and if it did not.

Sec. 6. Minnesota Statutes 1992, section 122.243, subdivision 2, is amended to read:

Subd. 2. [VOTER APPROVAL.] A referendum on the question of combination shall be conducted during the first or second year of cooperation for districts that cooperate according to section 122.241, or no more than 18 months before the effective date of combination for districts that do not cooperate. The referendum shall be on a date called by the school boards. The referendum shall be conducted by the school boards according to the Minnesota election law, as defined in section 200.01. If the referendum fails, the same question or a modified question may be submitted the following school year. If the referendum fails again, the districts shall modify their cooperation and combination plan. A third referendum may be conducted. If a second or third referendum is conducted after October 1, the newly combined district may not levy under section 124.2725 until the following year. Referendums shall be conducted on the same date in all districts.

Sec. 7. Minnesota Statutes 1992, section 122.895, is amended by adding a subdivision to read:

Subd. 10. [COOPERATIVES THAT MERGE.] Notwithstanding subdivisions 1 to 9, the following paragraphs apply to cooperatives that merge.

(a) If a cooperative enters into an agreement to merge with another cooperative, the boards of the cooperatives and the exclusive representatives of the teachers in the cooperatives and the teachers in each member district may negotiate a plan to assign or employ in a member district or to place on unrequested leave of absence all teachers whose positions are discontinued as a result of the agreement. If plans are negotiated and if the boards determine the plans are compatible, the boards shall include the plans in their agreement.

(b) If compatible plans are not negotiated under paragraph (a) by the March 1 preceding the effective date of the merger of the cooperatives, subdivisions 2 to 9 apply to teachers and nonlicensed employees whose positions are terminated as a result of an agreement to merge cooperatives.

Sec. 8. Minnesota Statutes 1992, section 124.195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] One hundred percent of the aid for the current fiscal year must be paid for the following aids: ~~management information center subsidies, according to section 121.935;~~ reimbursement for transportation to post-secondary institutions, according to section 123.3514, subdivision 8; aid for the program for adults with disabilities, according to section 124.2715, subdivision 2; school lunch aid, according to section 124.646; tribal contract school aid, according to section 124.85; hearing impaired support services aid, according to section 121.201; Indian post-secondary preparation grants according to section 124.481; integration grants according to Laws 1989, chapter 329, article 8, section 14, subdivision 3; and debt service aid according to section 124.95, subdivision 5.

Sec. 9. Minnesota Statutes 1992, section 124.2725, subdivision 2, is amended to read:

Subd. 2. [COOPERATION AND COMBINATION REVENUE.] Cooperation and combination revenue equals, ~~for each resident and nonresident pupil receiving instruction in a cooperating or combined district,~~ \$100 times the actual pupil units served in the district. For purposes of this section, pupil units served means the number of resident and nonresident pupil units in average daily membership receiving instruction in the cooperating or combined district. A district may not receive revenue under this section if it levies under section 124.912, subdivision 4.

Sec. 10. Minnesota Statutes 1992, section 124.2725, subdivision 4, is amended to read:

Subd. 4. [INCREASING LEVY.] (a) For districts that did not enter into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and that combine without cooperating, the percentage in subdivision 3, clause (2), shall be:

- (1) 50 percent for the first year of combination; and
- (2) 25 percent for the second year of combination.

(b) For districts that entered into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and combine without cooperating, the percentages in subdivision 3, clause (2), shall be:

- (1) 100 percent for the first year of combination;
- (2) 75 percent for the second year of combination;
- (3) 50 percent for the third year of combination; and
- (4) 25 percent for the fourth year of combination.

(c) For districts that combine after one year of cooperation, the percentage in subdivision 3, clause (2), shall be:

- (1) 100 percent for the first year of cooperation;
- (2) 75 percent for the first year of combination;
- (3) 50 percent for the second year of combination; and
- (4) 25 percent for the third year of combination.

(e) (d) For districts that combine after two years of cooperation, the percentage in subdivision 3, clause (2), shall be:

- (1) 100 percent for the first year of cooperation;
- (2) 75 percent for the second year of cooperation;
- (3) 50 percent for the first year of combination; and
- (4) 25 percent for the second year of combination.

Sec. 11. Minnesota Statutes 1992, section 124.2725, subdivision 5, is amended to read:

Subd. 5. [COOPERATION AND COMBINATION AID.] (a) Districts that did not enter into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and combine without cooperating shall receive cooperation and combination aid for the first two years of combination. Cooperation and combination aid shall not be paid after two years of combining.

(b) Districts that entered into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and combine without cooperating shall receive cooperation and combination aid for the first four years of combination. Aid must not be paid after four years of combination.

(c) Districts that combine after one year of cooperation shall receive cooperation and combination aid for the first year of cooperation and three years of combination. Aid shall not be paid after three years of combining.

(e) (d) Districts that combine after two years of cooperation shall receive cooperation and combination aid for the first two years of cooperation and the first two years of combination. Aid shall not be paid after two years of combining.

(d) (e) In each case, cooperation and combination aid is equal to the difference between the cooperation and combination revenue and the cooperation and combination levy.

Sec. 12. Minnesota Statutes 1992, section 124.2725, subdivision 6, is amended to read:

Subd. 6. [ADDITIONAL AID.] In addition to the aid in subdivision 5, districts shall receive aid according to the following:

(1) for districts that did not enter into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and combine without cooperating, \$100 times the actual pupil units served in the district in the first year of combination; or

(2) for districts that combine after one year or two years of cooperation, \$100 times the actual pupil units served in each district for the first year of cooperation, ~~for each resident and nonresident pupil receiving instruction in the cooperating district,~~ and \$100 times the actual pupil units served in the combined district for the first year of combination; or

(3) ~~for districts that combine after two years of cooperation, \$100 times the actual pupil units in each district for the first year of cooperation, for each resident and nonresident pupil receiving instruction in the cooperating district, and \$100 times the actual pupil units in the combined district for the first year of combination for districts that entered into an agreement under section 122.541 at least three years before the date of a successful referendum held under section 122.243, subdivision 2, and combine without cooperating, \$100 times the pupil units served in the combined district for the first two years of combination.~~

Sec. 13. Minnesota Statutes 1992, section 124.2725, subdivision 9, is amended to read:

Subd. 9. [SUBSEQUENT DISTRICTS.] If a district subsequently cooperates or combines with districts that have previously received revenue under this section, the new district shall receive revenue, according to subdivision 4 or 6, as though it had been a party to the initial agreement follows:

(1) if the districts previously received revenue under sections 10, paragraph (a), 11, paragraph (a), and 12, clause (1), the new district will receive two years of revenue under those provisions;

(2) if the districts previously received revenue under sections 10, paragraph (b), (c), or (d), 11, paragraph (b), (c), or (d), and 12, clause (2) or (3), the new district shall receive four years of revenue under the applicable provisions of sections 11 to 13. The previously cooperating or combined districts may not receive revenue, according to subdivision 6 or 10, as though parties to a new agreement.

As of the effective date of a cooperation and combination agreement between districts that have previously received revenue under this section and a new district, the new group of districts may not receive revenue in excess of the limit specified in subdivision 10.

Sec. 14. Minnesota Statutes 1992, section 124.2725, subdivision 10, is amended to read:

Subd. 10. [REVENUE LIMIT.] Revenue under this section shall not exceed the revenue received by cooperating districts or a combined district with 2,000 actual pupil units served. Revenue for cooperating districts subject to the limitation in this subdivision shall be allocated according to the number of pupil units served in the districts.

Sec. 15. Minnesota Statutes 1992, section 124.2725, subdivision 13, is amended to read:

Subd. 13. ~~[REVENUE FOR EXTENDED COOPERATION FAILURE TO COMBINE.]~~ A district has failed to combine if the state board disapproves of the plan according to section 122.243, subdivision 1, or if a second third referendum fails under section 122.243, subdivision 2, cooperation and combination revenue shall equal \$50 times the actual pupil units or if the commissioner of education determines that the districts involved are not making sufficient progress toward combination.

~~(a) If a district has failed to combine, cooperation and combination aid must be reduced by an amount equal to the aid paid under subdivision 6 plus the difference between the aid paid under subdivision 5 for the first two years of the agreement and the aid that would have been paid if the revenue had been \$50 times the actual pupil units. If the aid is insufficient to recover the entire amount, under subdivisions 5 and 6 shall not be paid and the authority to levy under subdivision 4 ceases. The department of education shall reduce other aids due the district to recover the entire amount equal to the aid paid under subdivision 6 plus the difference between the aid paid under subdivision 5 and the aid that would have been paid if the revenue had been \$50 times the pupil units served. The cooperation and combination levy shall be reduced by an amount equal to the difference between the levy for the first two years of the agreement and the levy that would have been authorized if the revenue had been \$50 times the actual pupil units. A district that receives revenue under this subdivision may not also receive revenue according to sections 124.2721 and 124.575.~~

~~(b) If a district has failed to combine, the authority to levy for reorganization operating debt under section 122.531, subdivision 4a, and for severance pay or early retirement incentives under subdivision 15 ceases.~~

Sec. 16. Minnesota Statutes 1992, section 124.2727, is amended to read:

124.2727 [INTERMEDIATE SCHOOL DISTRICT COOPERATION REVENUE.]

Subd. 6. [LEVY AUTHORITY.] (a) For fiscal years prior to fiscal year 1996, an intermediate school district may levy, as a single taxing district, according to this paragraph, an amount that may not exceed the greater of:

(1) five-sixths of the levy certified for special education and secondary vocational education for taxes payable in 1989; or

(2) the lesser of (i) \$50 times the actual pupil units in each participating district for the fiscal year to which the levy is attributable, or (ii) 1.43 percent of the adjusted net tax capacity. The levy shall be certified according to section 275.07. Upon such certification, the county auditors shall levy and collect the levies and remit the proceeds of the levy to the intermediate school district. The levies shall not be included in computing the limitation upon the levy of any of the participating districts.

(b) Five-elevenths of the proceeds of the levy shall be used for special education. Six-elevenths of the proceeds of the levy shall be used for secondary vocational education.

(c) When a school district joins or withdraws from an intermediate school district after July 1, 1991, the department of education shall recalculate the levy certified for taxes payable in 1989, for the purpose of determining the levy amount authorized under paragraph (a), clause (1), to reflect the change in membership of the intermediate school district. The department shall recalculate the levy as though the intermediate school district had certified the maximum permitted levy for taxes payable in 1989.

This subdivision expires July 1, 1995.

Subd. 6a. [DISTRICT COOPERATION REVENUE.] A district's cooperation revenue is equal to the greater of \$50 times the actual pupil units or \$25,000.

Subd. 6b. [DISTRICT COOPERATION LEVY.] To receive district cooperation revenue, a district may levy an amount equal to the district's cooperation revenue multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year preceding the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable to \$3,500.

Subd. 6c. [DISTRICT COOPERATION AID.] A district's cooperation aid is the difference between its district cooperation revenue and its district cooperation levy. If a district does not levy the entire amount permitted, aid must be reduced in proportion to the actual amount levied.

Subd. 6d. [REVENUE USES.] A district must place its district cooperation revenue in a reserved account and may only use the revenue to purchase goods and services from entities formed for cooperative purposes or to otherwise provide educational services in a cooperative manner. A district that is a member of an intermediate school district organized pursuant to chapter 136D may not access revenue under this section.

Subd. 7. [CERTIFICATES OF INDEBTEDNESS.] After a levy has been certified according to subdivision 6, an intermediate school board may issue and sell certificates of indebtedness in anticipation of the collection of levies, but in aggregate amounts that will not exceed the portion of the levies which is then not collected and not delinquent.

Subd. 8. [ADDITIONAL LEVY AUTHORITY.] A district other than intermediate school district No. 287 on July 1, 1993, may levy for taxes payable in 1995, \$5 times the number of actual pupil units, for taxes payable in 1996, \$9 times the number of actual pupil units, for taxes payable in 1997, \$13 times the number of actual pupil units and for taxes payable in 1998 and thereafter, \$17 times the number of actual pupil units in the district for the year for which the levy is attributable.

(c) The levy revenue under this subdivision must be used according to subdivision 6d. Of the levy revenue under subdivision 8, paragraph (b), at least 55 percent must be spent on secondary vocational programs.

Sec. 17. Minnesota Statutes 1992, section 124.914, is amended by adding a subdivision to read:

Subd. 4. [1992 OPERATING DEBT.] (a) Each year, a district that has filed a plan pursuant to section 121.917, subdivision 4, may levy, with the approval of the commissioner, to eliminate a deficit in the net unappropriated balance in the operating funds of the district, determined as of June 30, 1992, and certified and adjusted by the commissioner. Each year this levy may be an amount not to exceed the greater of:

- (1) an amount raised by a levy of a net tax rate of one percent times the adjusted net tax capacity; or
- (2) \$100,000.

This amount shall be reduced by referendum revenue authorized under section 124A.03 pursuant to the plan filed under section 121.917. However, the total amount of this levy for all years it is made shall not exceed the amount of the deficit in the net unappropriated balance in the operating funds of the district as of June 30, 1992. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(b) A district, if eligible, may levy under this subdivision or subdivision 2 or 3, or under section 122.531, subdivision 4a, or Laws 1992, chapter 499, article 7, sections 16 or 17, but not under more than one.

(c) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(d) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivision 2, in that same year.

Sec. 18. [EDUCATION DISTRICT LEVY ADJUSTMENT FOR FISCAL YEAR 1994.]

Notwithstanding any other law to the contrary, a school district that certified a levy under Minnesota Statutes, section 124.2721, subdivision 3, in 1992 for taxes payable for 1993 may levy in 1993 for taxes payable in 1994 up to an amount equal to:

(1) the difference between \$50 times the actual pupil units for fiscal year 1994 of the education district for which the school district belonged, and the amount of the education district levy calculated according to Minnesota Statutes, section 124.2721, subdivision 3, for fiscal year 1994, times

(2) the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the education district.

The amount of the levy permitted under this section must be transferred to the education district board under Minnesota Statutes, section 124.2721, subdivision 3a.

## Sec. 19. [REFERENDUM EXCEPTION.]

Notwithstanding Minnesota Statutes, section 122.243, subdivision 2, a referendum on the question of combination may be held in independent school district No. 893, Echo, any time after the state board approves its plan for cooperation and combination.

## Sec. 20. [FIRST YEAR OF COOPERATION SPECIFIED.]

For the purpose of receiving additional cooperation and combination aid under Minnesota Statutes, section 124.2725, subdivision 6, the first year of cooperation for independent school district Nos. 918, Chandler-Lake Wilson, and 504, Slayton, is fiscal year 1993.

## Sec. 21. [VERDI DISSOLUTION; REFERENDUM REVENUE.]

Notwithstanding Minnesota Statutes, section 122.531, subdivision 2, as of the effective date of the dissolution of independent school district No. 408, Verdi, and the attachment of part of its territory to independent school district No. 404, Lake Benton, the authorization for all referendum revenues previously approved by the voters of school district No. 404, Lake Benton, is the tax rate times the net tax capacity of the enlarged independent school district No. 404. Any new referendum revenue is authorized only after approval is granted by the voters of the entire enlarged district in an election under Minnesota Statutes, section 124A.03, subdivision 2.

## Sec. 22. [LAKE BENTON, PIPESTONE AGREEMENT.]

(a) The school board and exclusive bargaining representative of the teachers in independent school districts No. 404, Lake Benton, and No. 583, Pipestone, may negotiate a plan to assign to district No. 583 up to 1.2 FTE positions of the teachers in district No. 404, for up to five years following the dissolution of independent school district No. 408, Verdi. A teacher in district No. 583 who is placed on unrequested leave of absence may not assert reinstatement, realignment, or bumping rights to those 1.2 FTE positions.

(b) Paragraph (a) applies to employment agreements amended, renewed, or entered into after the effective date of this section.

## Sec. 23. [LAC QUI PARLE VALLEY DISTRICT NO. 6011.]

Independent school districts that belong to joint powers district No. 6011, Lac qui Parle Valley, may use cooperation and combination revenue received under Minnesota Statutes, section 124.2725, for expenses specified in Minnesota Statutes, section 124.2725, subdivision 11, that were incurred in the process of establishing or operating the cooperative secondary facility operated by joint powers district No. 6011, Lac qui Parle Valley, before cooperation and combination revenue was received.

## Sec. 24. [ALTERNATIVE REFERENDUM COMBINATION METHOD.]

Subdivision 1. [ALTERNATIVE METHOD.] Notwithstanding Minnesota Statutes, sections 122.247, subdivision 1, and 122.531, if independent school district No. 233, Preston-Fountain, and No. 228, Harmony, consolidate effective July 1, 1995, the referendum revenue authorization for the new district created by that consolidation may be any local tax rate that would raise an amount for the first year that does not exceed the combined dollar amount of the referendum revenues authorized by each of the component districts for fiscal year 1995.

Subd. 2. [INCLUDE REFERENDUM AUTHORIZATION IN COMBINATION PLAN.] (a) Referendum revenue authorization may be calculated under subdivision 1 only if:

(1) independent school district No. 233, Preston-Fountain and No. 228, Harmony, specify the dollar amount of the referendum revenue authority for the consolidated district and the number of years that the referendum revenue authorization is in effect in the cooperation and combination plan adopted under Minnesota Statutes, section 122.242; and

(2) the referendum information in clause (1) is included in the summary of the plan that is published in the official newspaper of each district under Minnesota Statutes, section 122.242, subdivision 1.

(b) If the dollar amount of referendum revenue authority required under paragraph (a), clause (1), is not available at the time the cooperation and combination plan is submitted to the department of education, the districts may use an estimate calculated by the department.

## Sec. 25. [EDUCATION DELIVERY SERVICE PLANNING AND REVIEW.]

Subdivision 1. [EDUCATION DELIVERY SERVICE PLANNING PROCESS.] Each school district must submit a plan for the delivery of education programs and services within the new education delivery system required under Laws 1992, chapter 499, article 6, section 33, subdivision 4, to the commissioner of education by August 1, 1993. A group of districts may submit a joint plan. The commissioner shall submit the plans to the review panel established under subdivision 2.

Subd. 2. [REVIEW PANEL.] A panel is established to review each of the plans submitted to the commissioner under subdivision 1 and make recommendations to the legislature concerning the design and implementation of a preK-12 and community education service delivery system.

Subd. 3. [MEMBERSHIP OF THE PANEL.] The review panel established under subdivision 2 shall consist of nine members:

- (1) the commissioner of education or a designee appointed by the commissioner;
- (2) one representative of the Minnesota association of school administrators;
- (3) one representative of the Minnesota federation of teachers;
- (4) one representative of the Minnesota education association;
- (5) one representative of the Minnesota school boards association;
- (6) one representative of the Minnesota business partnership; and
- (7) one school principal jointly agreed on by the Minnesota association of secondary school principals and the Minnesota elementary school principals association.

Two members of the legislature shall be appointed to the review panel. The subcommittee on committees of the committee on rules and administration of the senate shall appoint one member of the senate. The speaker of the house of representatives shall appoint one member of the house.

Subd. 4. [REVIEW PANEL SELECTION PROCESS.] To determine who shall serve as a representative of each organization listed in subdivision 3, clauses (2) to (7), each organization shall submit the names of three individuals for each representative the organization shall have on the panel to the co-chairs of the education committee of the senate, the chair of the house education committee, and the chair of the house K-12 education finance division. Each of the three individuals must represent a different geographic area of the state. The house and senate chairs shall jointly select one of the three names for each representative submitted by each organization to serve on the review panel. The chairs must consider geographic balance when selecting the representatives.

Subd. 5. [REVIEW PANEL RESPONSIBILITIES.] The review panel shall submit a summary of the school district plans received from the commissioner under subdivision 1 and recommendations on the following items to the legislature by January 15, 1994:

- (1) the services that should be provided by each of the three components of the education service delivery system that is described in Laws 1992, chapter 499, article 6, section 33, subdivision 3: the school district, the area education organization, and the central and regional delivery centers of the department of education;
- (2) the optimal number of school districts and pupils that an area education organization should serve;
- (3) the boundaries of area education organizations;
- (4) a funding mechanism for providing services through the area education organization;
- (5) the role of the school district, the area education organization, and the central and regional centers of the department in ensuring that health and other social services necessary to maximize a pupil's ability to learn are provided to pupils; and
- (6) the optimal process for implementing the new preK-12 and community education service delivery system by July 1, 1995.

The review panel shall also consider how services such as special education, vocational education, technology applications, joint purchasing, and management information are provided to multiple school districts through joint powers agreements under Minnesota Statutes, section 471.59.

Subd. 6. [EXPENSES AND REIMBURSEMENTS.] Members of the review panel shall be reimbursed for expenses as provided under Minnesota Statutes, section 15.059, subdivision 3. Members of the panel shall not receive any per diem payments.

Subd. 7. [STAFF ASSISTANCE.] The education committees of the legislature and the department of education shall provide staff assistance to the review panel.

Sec. 26. [DIRECT REPORTING PILOT SITES.]

Notwithstanding sections 121.935 and 121.936, the department of education may designate six local education agencies as pilot sites to demonstrate the implementation of direct reporting of uniform financial accounting and reporting standards (UFARS) data elements as well as staff and student essential data elements. The department shall specify the criteria for local education agency participation and for vendor system data and edit requirements utilized in the pilot.

Sec. 27. [REORGANIZATION OPERATING DEBT LEVY IN TAYLORS FALLS-CHISAGO LAKES COMBINATION.]

Notwithstanding Minnesota Statutes 1992, section 122.531, subdivision 4a, or any other law to the contrary, any reorganization operating debt levy contained in the approved cooperation and combination plan for independent school district No. 140, Taylors Falls, and independent school district No. 141, Chisago Lakes, may be certified over a period of seven years.

Sec. 28. [RETIRED EMPLOYEE HEALTH BENEFITS LEVY.]

Subdivision 1. Notwithstanding any other law to the contrary, in the consolidated school district consisting in whole or in part of former independent school district No. 692, Babbitt, and independent school district No. 710, St. Louis county, any amount levied under section 124.916, subdivision 2, or any other law to pay the health insurance or unreimbursed medical expenses of retirees of the former independent school district No. 692, may only be certified and spread on property which was taxable in the former independent school district No. 692.

Subd. 2. Any reduction in the levy of the consolidated school district consisting in whole or in part of former independent school district No. 692 and independent school district No. 710 under section 124.918, subdivision 8, must be applied first to the levy in subdivision 1 and then to any remaining levy as provided under section 124.918, subdivision 8.

Sec. 29. [INTERMEDIATE GOVERNANCE STRUCTURE AND TRANSITION.]

Subdivision 1. [PLAN.] School districts, based on the planning process required under Laws 1992, chapter 499, article 6, section 33, may either purchase goods and services through informal cooperative arrangements or may enter into agreements through Minnesota Statutes, section 471.59, to act cooperatively.

Subd. 2. [TRANSITION.] Any unresolved disputes regarding the allocation of assets and liabilities resulting from the repeal of the enabling legislation for various entities by Laws 1992, chapter 499, article 6, section 39, subdivision 3, as amended by Laws 1992, chapter 603, section 10, and not governed by the applicable agreement or enabling legislation for that entity may be appealed by any party to the dispute to the commissioner of education. The determination of the commissioner shall be final and binding.

Sec. 30. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund or other named fund to the department of education for the fiscal years designated.

Subd. 2. [COOPERATION AND COMBINATION AID.] For aid for districts that cooperate and combine according to Minnesota Statutes, section 124.2725:

\$3,516,000	.....	1994
\$3,979,000	.....	1995

The 1994 appropriation includes \$591,000 for 1993 and \$2,925,000 for 1994.

The 1995 appropriation includes \$516,000 for 1994 and \$3,463,000 for 1995.

Subd. 3. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] (a) For educational cooperative service units:

\$733,000	.....	1994
\$110,000	.....	1995

The 1994 appropriation includes \$110,000 for fiscal year 1993 and \$623,000 for fiscal year 1994.

The 1995 appropriation includes \$110,000 for 1994.

(b) Money from this appropriation may be transmitted to ECSU boards of directors for general operations in amounts of up to \$66,700 per ECSU for fiscal year 1994. The ECSU whose boundaries coincide with the boundaries of development region 11 and the ECSU whose boundaries encompass development regions six and eight may receive up to \$133,400 for fiscal year 1994.

(c) Before releasing money to the ECSUs, the department of education shall ensure that the annual plan of each ECSU explicitly addresses the specific educational services that can be better provided by an ECSU than by a member district. The annual plan must include methods to increase direct services to school districts in cooperation with the state department of education. The department may withhold all or a part of the money for an ECSU if the department determines that the ECSU has not been providing services according to its annual plan.

Subd. 4. [MANAGEMENT INFORMATION CENTERS.] For management information subsidies:

\$3,275,000	.....	1994
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\$356,000 in fiscal year 1994 is for software support of the ESV information system.

Subd. 5. [SECONDARY VOCATIONAL COOPERATION AID.] For secondary vocational cooperative aid according to Minnesota Statutes, section 124.575:

\$142,000	.....	1994
\$ 24,000	.....	1995

The 1994 appropriation includes -\$0- for 1993 and \$142,000 for 1994.

The 1995 appropriation includes \$24,000 for 1994.

Subd. 6. [DISTRICT COOPERATION REVENUE.] For cooperation revenue according to section 16:

\$7,960,000	.....	1995
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The 1995 appropriation is based on an entitlement of \$9,364,000 for fiscal year 1995.

Subd. 7. [MOUNTAIN IRON-BUHL SCHOOL DISTRICT.] For independent school district No. 712, Mountain Iron-Buhl:

\$75,000	.....	1994
\$75,000	.....	1995

Sec. 31. [LEGISLATIVE COORDINATING COMMISSION.]

\$15,000 is appropriated in fiscal year 1994 from the general fund to the legislative coordinating commission to reimburse the expenses of the review panel under the education delivery service planning and review as provided in section 25.

## Sec. 32. [REPEALER.]

Minnesota Statutes 1992, sections 124.2721; 124.2725, subdivision 8; and 124.575, subdivisions 2 and 4; 124.912, subdivisions 4 and 5, are repealed.

## Sec. 33. [EFFECTIVE DATE.]

Sections 3 and 8 are effective July 1, 1994. Section 28, subdivisions 1 and 2, are effective for taxes payable in 1994 and thereafter.

Sections 7, 13, 19, and 22 are effective the day following final enactment.

## ARTICLE 7

## COMMITMENT TO EXCELLENCE

## Section 1. [PURPOSE.]

The purpose of this article is to implement the mission of public education in Minnesota as stated below through innovation and systemic restructuring.

The mission of public education in Minnesota, a system for lifelong learning, is to ensure individual academic achievement, an informed citizenry, and a highly productive work force. This system focuses on the learner, promotes and values diversity, provides participatory decision-making, ensures accountability, models democratic principles, creates and sustains a climate for change, provides personalized learning environments, encourages learners to reach their maximum potential, and integrates and coordinates human services for learners.

## Sec. 2. [121.602] [EDUCATIONAL EFFECTIVENESS PROGRAM.]

Subdivision 1. [PROGRAM OUTCOMES.] The outcomes of the educational effectiveness program are to:

- (1) increase meaningful parental involvement in site-based decision making;
- (2) improve results-oriented instructional processes;
- (3) create flexible school-based organizational structures; and
- (4) improve student achievement.

Subd. 2. [ADVISORY TASK FORCE; PROGRAM IMPLEMENTATION.] The commissioner of education shall develop and maintain a program of educational effectiveness and results-oriented instruction. The commissioner may appoint an advisory task force to assist the department of education in developing an implementation program for providing staff development to school district staff in educational effectiveness. The program shall be based on established principles of instructional design and the essential elements of effective instruction as determined by educational research. The program shall take into account the diverse needs of the school districts due to such factors as district size and location.

Subd. 3. [EVALUATION AND REPORT.] The commissioner shall annually provide for independent evaluation of the effectiveness of this section. The evaluation shall measure the extent to which the outcomes defined in subdivision 1 are met and the cost effectiveness of any funding for the program. The evaluation shall also determine to what extent the program has a measurable impact on student achievement at the site level.

Subd. 4. [EDUCATIONAL EFFECTIVENESS STAFF DEVELOPMENT.] The department of education shall provide assistance to the school districts in implementing an educational effectiveness program. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating school districts and the extent to which the proposal provides for participation by school district staff. The department shall evaluate the performance of the service providers. The staff development shall be facilitated by building level decision-making teams. The staff development shall include clarification of individual school missions, goals, expectations, enhancement of collaborative planning and collegial relationships among the building staff, improvement of curriculum, assessment, instructional and organizational skills, improvement of financial and management skills, and planning of other staff development programs.

Subd. 5. [SCHOOL IMPROVEMENT INCENTIVE GRANTS.] The state board of education shall develop criteria to provide school improvement incentive grants to schools sites. The criteria must include the extent to which a site has implemented the characteristics of the educational effectiveness program and demonstrated improvement in student achievement of education outcomes. Notwithstanding any law to the contrary, the grant must remain under the control of the site decision-making team or principal at the site and may be used for any purpose determined by the team. A school board may not reduce other funding otherwise due the site. A grant may not exceed \$60,000 per site in any fiscal year.

Sec. 3. Minnesota Statutes 1992, section 121.612, subdivision 2, is amended to read:

Subd. 2. [CREATION OF FOUNDATION.] There is created the Minnesota academic excellence foundation. The purpose of the foundation shall be to promote academic excellence in Minnesota public and nonpublic schools and communities through public-private partnerships. The foundation shall be a nonprofit organization. The board of directors of the foundation and foundation activities are under the direction of the state board of education.

Sec. 4. Minnesota Statutes 1992, section 121.612, subdivision 4, is amended to read:

Subd. 4. [FOUNDATION PROGRAMS.] The foundation may develop programs that advance the concept of educational excellence. These may include, but are not limited to:

- (a) recognition programs and awards for students demonstrating academic excellence;
- (b) summer institute programs for students with special talents;
- (c) recognition programs for teachers, administrators, and others who contribute to academic excellence;
- (d) summer mentorship programs with business and industry for students with special career interests and high academic achievements;
- (e) governor's awards ceremonies and special campaigns to promote awareness and expectation for academic competition achievement; and
- (f) an academic league to provide organized challenges requiring cooperation and competition for public and nonpublic pupils in elementary and secondary schools;
- (g) systemic transformation initiatives and assistance and training to community teams to increase school performance in the state's education institutions through strategic quality planning for continuous improvement, empowerment of multiple stakeholders, validation of results via customer-supplier relationships, and a total system approach based on best practices in key process areas; and
- (h) activities to measure customer satisfaction for delivery of services to education institutions in order to plan for and implement continuous improvement.

To the extent possible, the foundation shall make these programs available to students in all parts of the state.

Sec. 5. [121.919] [FINANCIAL MANAGEMENT ASSISTANCE AND TRAINING TO SCHOOL DISTRICTS AND SCHOOL SITES.]

The department of education shall make available to school districts and individual school sites assistance and training in financial management. The assistance and training shall be in at least the following areas:

- (1) provision of an updated uniform financial and reporting system manual in both hard copy and computerized form which will be applicable to both the school district and to a school site under site-based management;
- (2) regularly scheduled training and assistance in accounting and financial operations, and special assistance as requested;
- (3) long-term financial planning, including that involved with district reorganization;

(4) district and school level expenditure and revenue budgeting and other fiscal and organizational requirements, including that under site-based management;

(5) assistance with school, district, and regional capital budget planning; and

(6) the development of a model reporting system for school sites for resource use and outcome achievement. The model shall include characteristics about the student population, staffing levels, and achievement results attributable to the instructional and organizational structure of the school site.

Sec. 6. Minnesota Statutes 1992, section 123.33, is amended by adding a subdivision to read:

Subd. 2a. [SCHOOL BOARD MEMBER TRAINING.] A member must receive training in school finance and management developed in consultation with the Minnesota school boards association and consistent with section 9. The school boards association shall make available to each newly-elected school board member training in school finance and management consistent with section 9 within 180 days of that member taking office. The program shall be developed in consultation with the department of education and appropriate representatives of higher education.

Sec. 7. Minnesota Statutes 1992, section 123.951, is amended to read:

123.951 [SCHOOL SITE MANAGEMENT DECISION-MAKING AGREEMENT.]

(a) A school board may enter into an agreement with a school site ~~management decision-making~~ team concerning the governance, management, or control of any school in the district. Upon a written request from a proposed school site ~~management decision-making~~ team, an initial school site ~~management decision-making~~ team shall be appointed by the school board and may include the school principal, representatives of teachers in the school, representatives of other employees in the school, representatives of parents of pupils in the school, representatives of pupils in the school, representatives of other members in the community, or others determined appropriate by the board. The school site ~~management decision-making~~ team shall include the school principal or other person having general control and supervision of the school.

(b) School site ~~management decision-making~~ agreements must ~~focus on creating management delegate powers and duties to site teams and in involving~~ involve staff members, students as appropriate, and parents in decision making.

(c) An agreement may include:

(1) a strategic plan for districtwide decentralization of resources developed through staff participation; a mechanism to implement flexible support systems for improvement in student achievement of education outcomes;

(2) a decision-making structure that allows teachers to identify instructional problems and control and apply the resources needed to solve them; and

(3) a mechanism to allow principals, or other persons having general control and supervision of the school, to make decisions regarding how financial and personnel resources are best allocated and to act as advocates for additional resources on behalf of the entire school at the site and from whom goods or services are purchased;

(4) a mechanism to implement parental involvement programs under section 126.69 and to provide for effective parental communication and feedback on this involvement at the site level;

(5) a provision that would allow the team to determine who is hired into licensed and nonlicensed positions;

(6) a provision that would allow teachers to choose the principal or other person having general control;

(7) direct contact with other social service providers;

(8) inservice training for site decision-making team members for financial management of school sites; and

(9) any other powers and duties determined appropriate by the board.

The school board of the district remains the legal employer under clauses (5) and (6).

(d) Any powers or duties not delegated to the school site management team in the school site management agreement shall remain with the school board.

(e) Approved agreements shall be filed with the commissioner. If a school board denies a request to enter into a school site management agreement, it shall provide a copy of the request and the reasons for its denial to the commissioner.

Sec. 8. Minnesota Statutes 1992, section 124.19, subdivision 5, is amended to read:

Subd. 5. [SCHEDULE ADJUSTMENTS.] (a) It is the intention of the legislature to encourage efficient and effective use of staff and facilities by school districts. School districts are encouraged to consider both cost and energy saving measures.

(b) Notwithstanding the provisions of subdivision 1 or 4, any district operating a program pursuant to sections 120.59 to 120.67, 121.585 or 125.701 to 125.705, or operating a commissioner-designated area learning center program under section 124C.49, or that otherwise receives the approval of the commissioner to operate its instructional program to avoid an aid reduction in any year, may adjust the annual school schedule for that program throughout the calendar year so long as the number of instructional hours in the year is not less than the number of instructional hours per day specified in the rules of the state board multiplied by the minimum number of instructional days required by subdivision 1.

Sec. 9. Minnesota Statutes 1992, section 124.195, subdivision 10, is amended to read:

Subd. 10. [AID PAYMENT PERCENTAGE.] Except as provided in subdivisions 8, 9, and 11, each fiscal year, all education aids and credits in this chapter and chapters 121, 123, 124A, 124B, 125, 126, 134, and section 273.1392, shall be paid at 90 percent for districts operating a program under section 121.585 for grades 1 to 12 for all students in the district and 85 percent for other districts of the estimated entitlement during the fiscal year of the entitlement, unless a higher rate has been established according to section 121.904, subdivision 4d. The amount of the actual entitlement, after adjustment for actual data, minus the payments made during the fiscal year of the entitlement shall be paid as the final adjustment payment according to subdivision 6.

Sec. 10. Minnesota Statutes 1992, 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 paragraph (c), clause (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 15 percent per year for districts operating a program under section 121.585 for grades 1 to 12 for all students in the district and 12-1/2 percent per year for other districts 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  $33\frac{1}{3}$  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 169.01, subdivision 6, paragraph (c), 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) "Transportation category" means a category of transportation service provided to pupils as follows:

(1) Regular transportation is transportation services provided during the regular school year under section 124.223, subdivisions 1 and 2, excluding the following transportation services provided under section 124.223, subdivision 1: transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; 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 transportation of elementary pupils to and from school within a mobility zone.

(2) Nonregular transportation is transportation services provided under section 124.223, subdivision 1, that are excluded from the regular category and transportation services provided under section 124.223, subdivisions 3, 4, 5, 6, 7, 8, 9, and 10.

(3) Excess transportation is transportation to and from school during the regular school year 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, drug, or crime hazards.

(4) Desegregation transportation is transportation during the regular school year of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the state board or under court order.

(5) Handicapped transportation is transportation provided under section 124.223, subdivision 4, for pupils with a disability between home or a respite care facility and school or other buildings where special instruction required by section 120.17 is provided.

(d) "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.

(e) "Current year" means the school year for which aid will be paid.

(f) "Base year" means the second school year preceding the school year for which aid will be paid.

(g) "Base cost" means the ratio of:

(1) the sum of the authorized cost in the base year for regular transportation as defined in paragraph (b) plus the actual cost in the base year for excess transportation as defined in paragraph (c);

(2) to the sum of the number of weighted FTE pupils transported in the regular and excess categories in the base year.

(h) "Pupil weighting factor" for the excess transportation category for a school district means the lesser of one, or the result of the following computation:

(1) Divide the square mile area of the school district by the number of FTE pupils transported in the regular and excess categories in the base year.

(2) Raise the result in clause (1) to the one-fifth power.

(3) Divide four-tenths by the result in clause (2).

The pupil weighting factor for the regular transportation category is one.

(i) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(j) "Sparsity index" for a school district means the greater of .005 or the ratio of the square mile area of the school district to the sum of the number of weighted FTE's transported by the district in the regular and excess categories in the base year.

(k) "Density index" for a school district means the greater of one or the result obtained by subtracting the product of the district's sparsity index times 20 from two.

(l) "Contract transportation index" for a school district means the greater of one or the result of the following computation:

(1) Multiply the district's sparsity index by 20.

(2) Select the lesser of one or the result in clause (1).

(3) Multiply the district's percentage of regular FTE's transported in the current year using vehicles that are not owned by the school district by the result in clause (2).

(m) "Adjusted predicted base cost" means the predicted base cost as computed in subdivision 3a as adjusted under subdivision 7a.

(n) "Regular transportation allowance" means the adjusted predicted base cost, inflated and adjusted under subdivision 7b.

Sec. 11. Minnesota Statutes 1992, section 124.225, subdivision 10, is amended to read:

Subd. 10. [DEPRECIATION.] Any school district 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 15 percent per year for districts operating a program under section 121.585 for grades 1 to 12 for all students in the district and 12-1/2 percent per year for other districts 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, paragraph (b), clause (4), until the original cost of each type three bus is fully amortized, plus 33-1/3 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 district's transportation revenue under subdivision 7d.

Sec. 12. Minnesota Statutes 1992, section 124.91, subdivision 5, is amended to read:

Subd. 5. [INTERACTIVE TELEVISION.] (a) A school district with its central administrative office located within economic development region one, two, three, four, five, six, seven, eight, nine, and ten may levy apply to the commissioner of education for ITV revenue up to the greater of .5 percent of the adjusted net tax capacity of the district or ~~\$20,000~~ \$25,000 for the construction, maintenance, and lease costs of an interactive television system for instructional purposes. The approval by the commissioner of education and the application procedures set forth in subdivision 1 shall apply to the ~~levy authority revenue~~ in this subdivision. In granting the approval, the commissioner must consider whether the district is maximizing efficiency through peak use and off-peak use pricing structures.

(b) To obtain ITV revenue, a district may levy an amount not to exceed the district's ITV revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the year prior to the year the levy is certified; to

(2) 100 percent of the equalizing factor as defined in section 124A.02, subdivision 8, for the year to which the levy is attributable.

(c) A district's ITV aid is the difference between its ITV revenue and the ITV levy.

Sec. 13. Minnesota Statutes 1992, section 124.912, is amended by adding a subdivision to read:

Subd. 8. [OUTPLACEMENT LEVY.] Upon the recommendation of a school's mentoring team, a school district may levy the amounts necessary to pay the cost of outplacement services for licensed teachers, including counseling and job search costs.

Sec. 14. Minnesota Statutes 1992, section 124A.29, subdivision 1, is amended to read:

Subdivision 1. [STAFF DEVELOPMENT, AND VIOLENCE PREVENTION PARENTAL INVOLVEMENT PROGRAMS REVENUE.] (a) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$15 one percent in fiscal year 1994, two percent in fiscal year 1995, and thereafter times the formula allowance times the number of actual pupil units shall be reserved and may be used only to provide staff time for in-service education for violence prevention programs under section 126.77, subdivision 2, challenging instructional activities and experiences or staff development programs, including outcome-based education, for the purpose of improving student achievement of education outcomes under section 126.70, subdivisions 1 and 2a. The school board shall determine the staff development activities to provide, the manner in which they will be provided, and the extent to which other local funds may be used to supplement staff development activities. The school board shall initially allocate 50 percent of the revenue to each school site in the district on a per teacher basis. The board may retain 25 percent to be used for district wide staff development efforts. The remaining 25 percent of the revenue shall be used to make grants to school sites that demonstrate exemplary use of allocated staff development revenue. A grant may be used for any purpose determined by the site decision-making team. The site decision-making team must demonstrate to the school board the extent to which staff at the site have met the outcomes of the program. The board may withhold a portion of initial allocation of revenue if the staff development outcomes are not being met.

(b) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$5 times the number of actual pupil units must be reserved and may be used only to provide parental involvement programs that implement section 126.69. A district may use up to \$1 of the \$5 times the number of actual pupil units for promoting parental involvement in the PER process.

Sec. 15. Minnesota Statutes 1992, section 124A.291, is amended to read:

124A.291 [RESERVED REVENUE FOR CAREER CERTAIN TEACHER PROGRAM.]

A district that has a career teacher program or a mentor-teacher program may reserve part of the basic revenue under section 124A.22, subdivision 2, for the district's share, according to section 124.276, of the portion of the teaching contract that is in addition to the standard teaching contract of the district.

Sec. 16. [124A.292] [STAFF DEVELOPMENT INCENTIVE.]

Subdivision 1. [ELIGIBILITY.] A school site is eligible for revenue under this section if it has implemented an outplacement program on an ongoing basis to counsel staff and has implemented a program according to section 125.231.

Subd. 2. [REVENUE.] Staff development incentive revenue is equal to the number of teachers at the site times \$25.

Subd. 3. [STAFF DEVELOPMENT LEVY.] A district's levy equals its revenue times the lesser of one or the ratio of the district's adjusted net tax capacity per actual pupil unit for the year before the year the levy is certified to the equalizing factor for the school year to which the levy is attributable.

Subd. 4. [STAFF DEVELOPMENT AID.] A district's aid equals its revenue minus its levy times the ratio of the actual amount levied to the permitted levy.

Subd. 5. [USE.] The revenue must be used at the site for staff development purposes.

Sec. 17. Minnesota Statutes 1992, section 125.05, subdivision 1a, is amended to read:

Subd. 1a. [TEACHER AND SUPPORT PERSONNEL QUALIFICATIONS.] (a) The board of teaching shall issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions.

(b) The board shall require a person to successfully complete an examination of skills in reading, writing, and mathematics before being admitted to a post-secondary teacher preparation program approved by the board if that person seeks to qualify for an initial teaching license to provide direct instruction to pupils in kindergarten, elementary, secondary, or special education programs.

~~(c) Before admission to a pilot internship program, the board shall require a person to successfully complete an examination of general pedagogical knowledge. Before granting a first continuing license to participants in the pilot projects, the board shall require a person to successfully complete a supervised and assessed internship in a professional development school and an examination of licensure specific teaching skills. The board shall determine effective dates for the examination of general pedagogical knowledge, the internship, and examinations of licensure specific skills.~~

Sec. 18. Minnesota Statutes 1992, section 125.138, is amended to read:

125.138 [FACULTY EXCHANGE AND TEMPORARY ASSIGNMENT PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A program of faculty ~~exchange is~~ collaboration shall be established to allow school districts and post-secondary institutions to arrange temporary exchanges ~~between members of their instructional staffs placements in each other's institutions.~~ These arrangements must be made on a voluntary cooperative basis between a school district and post-secondary institution, or between post-secondary institutions. Exchanges between post-secondary institutions may occur among campuses in the same system or in different systems.

Subd. 2. [USES OF PROGRAM.] Each participating school district and post-secondary institution may determine the way in which the ~~instructional staff member's~~ time is to be used, but it must be in a way that promotes understanding of the needs of each educational system or institution. For example, a public school ~~teacher educator~~ may teach courses, provide counseling and tutorial services, assist with the preparation of future ~~teachers educators,~~ or take professional development courses. A post-secondary teacher might teach ~~advanced placement courses or other classes to aid an underserved population at the school district, counsel students about future educational plans, or work with teachers to better prepare students for post-secondary education in school administration.~~ Participation need not be limited to one school or institution and may involve other groups including educational cooperative service units.

Subd. 3. [SALARIES; BENEFITS; CERTIFICATION.] ~~Exchanges~~ Temporary placements made under the program must not have a negative effect on participants' salaries, seniority, or other benefits. Notwithstanding sections 123.35, subdivision 6, and 125.04, a member of the ~~instructional staff of a post-secondary institution~~ may teach in an elementary or secondary school or perform a service, agreed upon according to this section, for which a license would otherwise be required without holding the applicable license. In addition, a licensed ~~teacher educator~~ employed by a school district may teach or perform a service, agreed upon according to this section, at a post-secondary institution without meeting the applicable qualifications of the post-secondary institution. A school district is not subject to section 124.19, subdivision 3, as a result of entering into an agreement according to this section that enables a post-secondary ~~instructional staff member~~ educator to teach or provide services in the district. All arrangements and details regarding the exchange must be mutually agreed to by each participating school district and post-secondary institution before implementation.

Subd. 4. [EDUCATORS' EMPLOYMENT; CONTINUATION.] An educator who held a temporary position or an exchanged position under section 125.138 shall be continued in or restored to the position previously held, or to a position of like seniority, status, and pay upon return. Retirement benefits under an employer-sponsored pension or retirement plan shall not be reduced because of time spent on an exchange or temporary position under section 125.138.

Subd. 5. [ENTITLEMENT TO BENEFITS AND POSITION.] An educator who is continued in or restored to a position in accordance with subdivision 4:

(1) shall be continued or restored without loss of seniority; and

(2) may participate in insurance or other benefits offered by the employer under its established rules and practices.

Subd. 6. [GRANTS.] The department of education shall award grants to public post-secondary teacher preparation programs and school districts that collaborate on staff exchanges or temporary placements. One institution must be identified as the fiscal agent for the grant.

Subd. 7. [PURPOSE OF THE GRANTS.] School districts and post-secondary institutions are encouraged to collaborate by allowing educators to exchange positions, team teach, or hold temporary positions of no longer than one academic year in the other's institutions. No loss of salary or benefits shall occur. Grants shall be used to ensure no loss of status, retirement, and insurance benefits.

Subd. 8. [APPLICATION PROCESS.] The department of education shall develop and publicize the process by which school districts, the University of Minnesota and its campuses, and the state universities which have teacher and administrator preparation programs may apply for grants.

Subd. 9. [CRITERIA.] The department of education shall evaluate proposals using the following criteria:

(1) evidence of collaborative arrangements between post-secondary educators and early childhood through grade 12 educators;

(2) evidence that outstanding early childhood through grade 12 educators will be involved in post-secondary classes and programs, including presentations, discussions, teaming, and responsibility for teaching some post-secondary courses;

(3) evidence that post-secondary educators will have direct experience working in a classroom or school district, including presentations, discussions, teaming, and responsibility for teaching some early childhood through grade 12 classes; and

(4) evidence of adequate financial support from employing and receiving institutions.

Subd. 10. [EVALUATION.] The department of education shall evaluate the results of the grants provided under subdivision 6 and make recommendations to the legislature and governor regarding future funding in the 1995 biennial budget document.

Subd. 11. [GRANT LIMITATIONS; PROPOSALS.] All grants shall be for salary and benefit costs beyond those normally covered by each of the institutions involved in the exchange or temporary assignment. Staff exchanging positions or placed in temporary assignments shall not suffer loss of salary, benefits, or retirement benefits. A grant from the department of education shall cover 50 percent of the excess costs with the remainder of the excess costs shared equally by the school district and the post-secondary institution.

Sec. 19. [125.178] [ELEMENTARY PREPARATION TIME.]

The school board and the exclusive representative of the teachers may negotiate an agreement to provide daily preparation time for elementary school teachers. Failing to successfully negotiate such an agreement, provisions of Minnesota Rules, part 3500.1400, subpart 3, apply.

Sec. 20. [125.230] [TEACHING RESIDENCY PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A school district with a teaching residency plan approved by the board of teaching may hire graduates of approved Minnesota teacher preparation programs as teaching residents. A district shall employ each resident for one school year. The district and the resident may agree to extend the residency for one additional school year. A school may employ no more than one teaching resident for every eight full-time equivalent licensed teachers. No more than 600 eligible teachers may be employed as teacher residents in any one school year.

Subd. 2. [TEACHER ELIGIBILITY.] Persons eligible to be hired as teaching residents must have received their initial license no more than two years prior to applying for a residency and must have less than nine months of full-time equivalency teaching experience as a licensed teacher.

Subd. 3. [PROGRAM COMPONENTS.] In order to be approved by the board of teaching, a school district's residency program must at minimum include:

- (1) training to prepare teachers to serve as mentors to teaching residents;
- (2) a team mentorship approach to expose teaching residents to a variety of teaching methods, philosophies, and classroom environments;
- (3) ongoing peer coaching and assessment;
- (4) assistance to the teaching resident in preparing an individual professional development plan that includes goals, activities, and assessment methodologies; and
- (5) involvement of resource persons from higher education institutions, career teachers, and other community experts to provide local or regional professional development seminars or other structured learning experiences for teaching residents.

A teaching resident shall not be given direct classroom supervision responsibilities that exceed 80 percent of the instructional time required of a full-time equivalent teacher in the district. During the remaining time, a teaching resident shall participate in professional development activities according to the individual plan developed by the resident in conjunction with the school's mentoring team.

Subd. 4. [EMPLOYMENT CONDITIONS.] A school district shall pay a teaching resident a salary equal to 75 percent of the statewide average salary of a first-year teacher with a bachelor's degree. The resident shall be a member of the local bargaining unit and shall be covered under the terms of the contract, except for salary and benefits, unless otherwise provided in this subdivision. The school district shall provide health insurance coverage for the resident if the district provides it for teachers, and may provide other benefits upon negotiated agreement.

Subd. 5. [APPLIES TOWARD PROBATIONARY PERIOD.] A teaching residency shall count as one year of a teacher's probationary period under section 125.12, subdivision 3, or section 125.17, subdivision 2. A residency extended for one year shall not count as an additional year under this subdivision.

Subd. 6. [LEARNING AND DEVELOPMENT REVENUE ELIGIBILITY.] A school district with an approved teaching residency program may use learning and development revenue for each teaching resident in kindergarten through grade six. A district also may use the revenue for a paraprofessional who is a person of color enrolled in an approved teacher preparation program. A school district shall not use a teaching resident to replace an existing teaching position.

Subd. 7. [RECOMMENDATION FOR LICENSURE REQUIREMENTS.] (a) The board of teaching shall develop for teachers of students in pre-K through grade 12, model teaching residency outcomes and assessments, and mentoring programs.

(b) The board of teaching shall report to the education committees of the legislature by February 15, 1994, on developing a residency program as part of teacher licensure. The report shall at least discuss:

- (1) whether a teacher residency program should be a prerequisite to obtaining an initial teaching license or a continuing teacher license;
- (2) the number of teacher residency positions available statewide by school district;
- (3) how a teacher residency program and a mentorship program for school teachers can be structured;
- (4) whether additional state funding for teacher residency programs is required;
- (5) the interrelationship between existing teacher preparation programs and a teacher residency program;
- (6) issues related to implementing a teacher residency program, including a timeline for implementing the program;  
and

(7) how a teacher residency program may impact upon a teacher licensed in another state who seeks a teaching position in Minnesota.

Sec. 21. Minnesota Statutes 1992, section 125.231, is amended to read:

125.231 [TEACHER ASSISTANCE THROUGH MENTORSHIP PROGRAM.]

Subdivision 1. [TEACHER MENTORING PROGRAM PROGRAMS.] School districts are encouraged to ~~participate in a competitive grant program that explores~~ develop teacher mentoring programs for teachers new to the profession or district, ~~or for~~ including teaching residents, teachers with special needs, or experienced teachers in need of peer coaching.

Subd. 2. [TEACHER MENTORING TASK FORCE.] The ~~commissioner~~ board of teaching shall appoint and work with a teacher mentoring task force including representatives of the two teachers unions, the two principals organizations, school boards association, administrators association, ~~board of teaching~~ department of education, parent teacher association, post-secondary institutions, foundations, and the private sector. Representation on the task force by populations of color shall reflect the proportion of people of color in the public schools.

The task force shall:

- (1) develop the application forms, criteria, and procedures for ~~the grants for mentorship program programs;~~
- (2) select sites to receive mentorship grant funding; and
- (3) provide ongoing support and direction for mentorship program implementation in school districts, including those that do not receive mentorship grants;

Subd. 3. [APPLICATIONS.] The ~~commissioner of education~~ board of teaching shall make application forms available to sites interested in developing or expanding a mentorship program. A school district, a group of school districts, or a coalition of districts, teachers and teacher education institutions may apply for a teacher mentorship program grant. The ~~commissioner~~ board of teaching, in consultation with the teacher mentoring task force, shall approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring components, include a variety of coalitions and be geographically distributed throughout the state. The ~~commissioner of education~~ board of teaching shall encourage the selected sites to consider the use of ~~the its~~ assessment procedures developed by the board of teaching.

Subd. 4. [CRITERIA FOR SELECTION.] At a minimum, applicants must express commitment to:

- (1) allow staff participation;
- (2) assess skills of both beginning and mentor teachers;
- (3) provide appropriate in-service to needs identified in the assessment;
- (4) provide leadership to the effort;
- (5) cooperate with higher education institutions;
- (6) provide facilities and other resources; and
- (7) share findings, materials, and techniques with other school districts.

Subd. 5. [ADDITIONAL FUNDING.] Applicants are required to seek additional funding and assistance from sources such as school districts, post-secondary institutions, foundations, and the private sector.

Subd. 7. [PROGRAM IMPLEMENTATION.] New and expanding mentorship sites that are funded to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation. The ~~department of education~~ board of teaching must provide resources and assistance to support new sites in their program efforts. These activities and services may include, but are not limited to: planning, planning guides, media, training, conferences, institutes, and regional and statewide networking meetings. Nonfunded schools or districts interested in getting started may participate ~~in some activities and services~~. Fees may be charged for meals, materials, and the like.

## Sec. 22. [126.019] [SCHOOL RESTRUCTURING PROGRAM.]

Subdivision 1. [LEVY AUTHORITY.] (a) The purpose of school district restructuring pilots is to examine practices and organizational structure for improvement of student achievement of education outcomes through site decision-making. A school district may submit an application to the department of education for school district restructuring levy authority. The authority may be for up to \$50 times the number of actual pupil units at the site. The levy is available for the fiscal year for which the pilot receives approval and for the subsequent four years. A district need only apply once for this authority. The actual amount of levy authority given shall depend on the level of power and control delegated to a site under section 123.951. The state board, upon consultation of the education chairs of the legislature, shall determine criteria for measuring this level and allocating the appropriate levy authority. The criteria may include a provision that would allow the site decision-making team to request waivers from the master contract between the school board and the collective bargaining representative in the district. Notwithstanding any law to the contrary, the state board of education and the state board of teaching may grant waivers that would apply only to a single site within the district from any board rule. The levy authority may be increased or decreased by the state board if a district changes implementation of this section. Revenue from the levy must be under the control of local site decision-making team and may be used for any purpose determined by the team. All information about education achievement and effective reduction in elementary learner-instructor ratios at the school site must be made available to the public. Each school board must communicate the availability of this authority to each school site in the district.

(b) The local levy shall be matched dollar for dollar with state aid. The commissioner shall not approve total levy authority in excess of available state appropriations.

Subd. 2. [REPORT.] The state board shall report on the implementation of this section and learning improvement results to the education committees of the legislature on February 1 of each year. The board shall also develop model reporting forms for districts to use to report to local communities. The board shall develop these forms in consultation with the department and the chairs of the education committees of the legislature.

## Sec. 23. Minnesota Statutes 1992, section 126.22, subdivision 8, is amended to read:

Subd. 8. [ENROLLMENT VERIFICATION.] (a) For a pupil attending an eligible program full time under subdivision 3, paragraph (d), the department of education shall pay 88 percent of the basic revenue of the district to the eligible program and 12 percent of the basic revenue to the resident district within 30 days after the eligible program verifies enrollment using the form provided by the department. For a pupil attending an eligible program part time, basic revenue shall be reduced proportionately, according to the amount of time the pupil attends the program, and the payments to the eligible program and the resident district shall be reduced accordingly. A pupil for whom payment is made according to this section may not be counted by any district for any purpose other than computation of basic revenue, according to section 124A.22, subdivision 2. If payment is made for a pupil under this subdivision, a school district shall not reimburse a program under section 126.23 for the same pupil.

(b) The department of education shall pay up to 100 percent of the basic revenue to the eligible program if there is an agreement to that effect between the school district and the eligible program.

## Sec. 24. Minnesota Statutes 1992, section 126.70, is amended to read:

## 126.70 [STAFF DEVELOPMENT PLAN PROGRAM.]

Subdivision 1. [ELIGIBILITY FOR REVENUE STAFF DEVELOPMENT COMMITTEE.] A school board may shall use the revenue authorized in section 124A.29 for in-service education for violence prevention programs under section 126.77, subdivision 2, or if it establishes a staff development advisory committee and adopts a for staff development plan under this subdivision. The board must establish a staff development committee to develop the plan, advise a site decision-making team about the plan, and evaluate staff development efforts at the site level. A majority of the advisory committee must be teachers representing various grade levels and subject areas. The advisory committee must also include parents and administrators. The advisory committee shall develop a staff development plan that includes related expenditures and shall submit the plan to the school board. If the school board approves the plan, the district may use the staff development revenue authorized in section 124A.29. Districts must submit approved plans shall report staff development results to the commissioner in the form and manner determined by the commissioner.

Subd. 2. [CONTENTS OF THE PLAN.] The plan ~~may~~ must include:

- ~~(1) procedures the district will use to analyze education needs;~~
- ~~(2) methods for integrating education needs with in-service and curricular efforts already in progress;~~
- ~~(3) education goals and outcomes under subdivision 2a, the means to achieve the goals; outcomes and~~
- ~~(4) procedures for evaluating progress at each school site toward meeting education needs and goals outcomes.~~

Subd. 2a. [~~PERMITTED USES STAFF DEVELOPMENT OUTCOMES.~~] ~~A school board may approve a~~ (a) The staff development committee shall adopt a staff development plan to accomplish any of the following purposes for the improvement of student achievement of education outcomes. The plan must be consistent with education outcomes determined by the school board. The plan shall include the following outcomes:

- (1) foster readiness for learning;
  - (2) facilitate organizational changes by enabling a site-based team composed of pupils, parents, school personnel, and community members to address pupils' needs;
  - (3) develop programs to increase pupils' educational progress by developing appropriate outcomes and personal learning goals and by encouraging pupils and their parents to assume responsibility for their education;
  - (4) design and develop programs containing various instructional opportunities that recognize pupils' individual needs and utilize family and community resources;
  - (5) evaluate the effectiveness of education policies, processes, and products through appropriate evaluation procedures that include multiple criteria and indicators;
  - (6) provide staff time or mentorship oversight for peer review of probationary, continuing contract, and nonprobationary teachers;
  - (7) train elementary and secondary staff to help students learn to resolve conflicts in effective, nonviolent ways;  
and
  - (8) encourage staff to teach and model violence prevention policy and curricula that address issues of sexual and racial harassment; and
  - (9) teach elementary and secondary staff to effectively meet the needs of children with disabilities within the regular classroom setting.
- (b) If a school board approves a plan to accomplish any of the purposes listed in paragraph (a), it must also provide challenging instructional activities and experiences that recognize and cultivate students' advanced abilities and talents.

Sec. 25. [SUPERVISORY LICENSURE.]

All administrative and supervisory licensure rules adopted or amended by the state board of education must include outcomes relating to financial management practices of school districts and buildings.

Sec. 26. [TEACHER COMPENSATION TASK FORCE.]

Subdivision 1. [ESTABLISHED.] A teacher compensation task force is established under the state board of education. The board shall initially organize the task force and prepare any reports to the legislature. The department of education shall assist the board as required.

Subd. 2. [MEMBERSHIP.] The task force shall consist of the following members:

One member each representing:

- (1) the state board of education;
- (2) the Minnesota business partnership;
- (3) school principals;
- (4) Minnesota association of school administrators;
- (5) a parent of a student with disabilities;
- (6) Minnesota congress of parents, teachers, and students; and
- (7) the bureau of mediation services.

Three members representing the Minnesota school boards association and two members each representing the Minnesota education association and the Minnesota federation of teachers.

Subd. 3. [PURPOSE AND DUTIES.] The purpose of the task force is to study and recommend alternatives to a teacher compensation system based on training and experience to one that may include compensation based on knowledge, skills, responsibilities, or other considerations. Specifically, the task force must identify the knowledge, skills, and abilities needed by teachers to:

- (1) identify, communicate, and measure outcomes at a school site;
- (2) improve educational instruction to achieve expected outcomes at a school site;
- (3) evaluate peers and make other related personnel decisions at a school site;
- (4) manage organizational and financial needs at a school site;
- (5) undertake duties that would lead to the improvement in the achievement of educational outcomes at either the district level or the school site; and
- (6) identify personal staff development and educational needs to help students in achieving the student's educational outcomes.

The task force shall make a preliminary report on February 1, 1994, and a final report on February 1, 1995, to the education committees of the legislature.

#### Sec. 27. [GRADUATION RULE ACCELERATION.]

\$5,188,000 in fiscal year 1994 and \$5,188,000 in fiscal year 1995 is appropriated to the department of education for accelerated development of the state board of education high school graduation rule. Of this amount, \$5,000,000 each year is from the general fund and \$188,000 each year is from the special revenue fund. The appropriation is to be used to fund assessment and standards pilot sites; to broaden public understanding of the rule through local public meeting and focus groups, citizens forums, and other general communication; to continue development of curriculum frameworks; for ongoing statewide assessment efforts; and to develop system performance standards. The appropriation from the special revenue fund may be used for development efforts in health-related outcomes. Any amount of this appropriation does not cancel and shall be carried forward to the following fiscal year. Notwithstanding any law to the contrary, the commissioner may contract for national expertise and related services in each of the development areas.

#### Sec. 28. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [AREA LEARNING CENTER GRANTS.] For grants to area learning centers:

<u>\$150,000</u>	.....	<u>1994</u>
<u>\$150,000</u>	.....	<u>1995</u>

Subd. 3. [ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.] For the state advanced placement and international baccalaureate programs, including training programs, support programs, and examination fee subsidies:

<u>\$300,000</u>	.....	<u>1994</u>
<u>\$300,000</u>	.....	<u>1995</u>

Subd. 4. [NSF MATH-SCIENCE SYSTEMIC INITIATIVE.] To meet requirements for a proposal to the National Science Foundation for a systemic initiative in mathematics and science:

<u>\$1,500,000</u>	.....	<u>1994</u>
<u>\$1,500,000</u>	.....	<u>1995</u>

This appropriation is not contingent upon receiving funding from the National Science Foundation.Subd. 5. [EDUCATIONAL EFFECTIVENESS.] For educational effectiveness programs according to Minnesota Statutes, sections 121.608 and 121.609:

<u>\$870,000</u>	.....	<u>1994</u>
<u>\$870,000</u>	.....	<u>1995</u>

Subd. 6. [INTERNET.] To provide statewide access to INTERNET for elementary and secondary schools:

<u>\$200,000</u>	.....	<u>1994</u>
<u>\$200,000</u>	.....	<u>1995</u>

Any balance remaining in the first year does not cancel but is available in the second year.Subd. 7. [ACADEMIC EXCELLENCE FOUNDATION.] (a) For the academic excellence foundation according to Minnesota Statutes, section 121.612:

<u>\$525,000</u>	.....	<u>1994</u>
<u>\$525,000</u>	.....	<u>1995</u>

(b) Up to \$50,000 each year is contingent upon the match of \$1 in the previous year from private sources consisting of either direct monetary contributions or in-kind contributions of related goods or services, for each \$1 of the appropriation. The commissioner of education must certify receipt of the money or documentation for the private matching funds or in-kind contributions. The unencumbered balance from the amount actually appropriated from the contingent amount in 1994 does not cancel but is available in 1995. The amount carried forward must not be used to establish a larger annual base appropriation for later fiscal years.(c) Approximately \$265,000 each year is for the foundation's partners for quality initiative.Subd. 8. [ENVIRONMENTAL EDUCATION.] For distributing materials and conducting workshops to implement model K-12 environmental education curriculum integration described in Laws 1991, chapter 254, article 1, section 14, subdivision 5, paragraph (a):

<u>\$60,000</u>	.....	<u>1994</u>
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Any balance remaining in the first year does not cancel but is available in the second year.Subd. 9. [ITV LEVY AID.] For ITV levy aid under section 24:

<u>\$2,681,000</u>	.....	<u>1995</u>
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The appropriation anticipates an entitlement of \$3,154,200 for fiscal year 1995.

Subd. 10. [SCHOOL IMPROVEMENT INCENTIVE GRANTS.] For grants to school improvement incentive sites under section 3:

\$125,000	.....	1994
<u>\$125,000</u>	.....	<u>1995</u>

Subd. 11. [SCHOOL RESTRUCTURING GRANTS.] For school restructuring grants under section 22:

\$500,000	.....	1995
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This appropriation does not cancel.

Up to \$100,000 of this amount may be used for a grant to a nonstate organization to develop systemic site decision making models.

Subd. 12. [EXCHANGE AND TEMPORARY ASSIGNMENT PROGRAMS.] For faculty exchange, and temporary assignment programs according to Minnesota Statutes, section 125.138:

\$75,000	.....	1994
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This appropriation is available until June 30, 1995.

Subd. 13. [STAFF DEVELOPMENT INCENTIVE.] For staff development incentives:

\$100,000	.....	1994
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This appropriation is available until June 30, 1995.

Sec. 29. [APPROPRIATIONS.]

Subdivision 1. [HECB.] The sums appropriated in this section are appropriated from the general fund to the higher education coordinating board for the fiscal years designated.

Subd. 2. [SUMMER PROGRAM SCHOLARSHIPS.] For scholarship awards for summer programs according to Minnesota Statutes, section 126.56:

\$214,000	.....	1994
<u>\$214,000</u>	.....	<u>1995</u>

Of this appropriation, any amount required by the higher education coordinating board may be used for the costs of administering the program.

Sec. 30. [MINNESOTA HUMANITIES COMMISSION.]

(a) \$325,000 in fiscal year 1994 and \$325,000 in fiscal year 1995 is appropriated from the general fund to the Minnesota Humanities Commission for the Minnesota Institute for the Advancement of Teaching.

(b) The money is for the institute to conduct noncredit seminars for Minnesota's K-12 teachers. The seminars must be interdisciplinary, employ varied methods of teaching and learning, incorporate community resources in a creative and instructive manner, and be dedicated to the professional development of K-12 teachers.

(c) The money is also for the institute to begin an alumni program to assist teachers who have attended the seminars to provide programs for teachers in their districts who cannot attend the residential seminars.

(d) The humanities commission may seek and accept private sector money for the institute to supplement these appropriations.

Sec. 31. [REPEALER.]

Minnesota Statutes 1992, sections 121.609; 124A.27, subdivisions 1 to 9; and 125.185, subdivision 4a, are repealed July 1, 1993.

Sec. 32. [EFFECTIVE DATE.]

Section 19 remains in effect until July 1, 1995.

## ARTICLE 8

## OTHER EDUCATION PROGRAMS

Section 1. Minnesota Statutes 1992, section 124.195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] One hundred percent of the aid for the current fiscal year must be paid for the following aids: management information center subsidies, according to section 121.935; reimbursement for transportation to post-secondary institutions, according to section 123.3514, subdivision 8; aid for the program for adults with disabilities, according to section 124.2715, subdivision 2; school lunch aid, according to section 124.646; ~~tribal contract school aid, according to section 124.85;~~ hearing impaired support services aid, according to section 121.201; Indian post-secondary preparation grants according to section 124.481; integration grants according to Laws 1989, chapter 329, article 8, section 14, subdivision 3; and debt service aid according to section 124.95, subdivision 5.

Sec. 2. [124.6469] [SCHOOL BREAKFAST PROGRAM.]

Subdivision 1. [PURPOSE.] The purpose of the school breakfast program is to provide affordable morning nutrition to children so that they can effectively learn.

Subd. 2. [PROGRAM.] The state school breakfast program enables schools participating in the federal School Breakfast Program to cover their costs for breakfast.

Subd. 3. [PROGRAM REIMBURSEMENT.] State funds are provided to reimburse school breakfasts. Each school year, the state shall reimburse schools in the amount of 5.1 cents for each fully paid breakfast and for each free and reduced price breakfast not eligible for the "severe need" rate.

Sec. 3. Minnesota Statutes 1992, section 124.912, subdivision 2, is amended to read:

Subd. 2. [DESEGREGATION.] Each year, special school district No. 1, Minneapolis, may levy an amount not to exceed \$197 times its actual pupil units for that fiscal year; independent school district No. 625, St. Paul, may levy an amount not to exceed a gross tax rate of .80 percent times the adjusted gross tax capacity of the district for taxes payable in 1990 or a net tax rate of 1.0 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter \$197 times its actual pupil units for that fiscal year; and independent school district No. 709, Duluth, may levy an amount not to exceed the sum of \$660,000 and the amount raised by a tax rate of 2.0 percent times the adjusted net tax capacity of the district. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

Sec. 4. Minnesota Statutes 1992, section 124.912, subdivision 3, is amended to read:

Subd. 3. [RULE COMPLIANCE.] Each year a district that is required to implement a plan according to the requirements of Minnesota Rules, parts 3535.0200 to 3535.2200, may levy an amount not to exceed a net tax rate of 2.0 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter. ~~Independent school district No. 625, St. Paul, A district that levies according to subdivision 2 may not levy according to this subdivision.~~ Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

Sec. 5. Minnesota Statutes 1992, section 124.916, subdivision 2, is amended to read:

Subd. 2. [RETIRED EMPLOYEE HEALTH BENEFITS.] For taxes payable in ~~1993 and 1994~~ and 1995 only, a school district may levy an amount up to the amount the district is required by the collective bargaining agreement in effect on March 30, 1992, to pay for health insurance or unreimbursed medical expenses for licensed and nonlicensed employees who have terminated services in the employing district and withdrawn from active teaching service or other active service, as applicable, before July 1, 1992. The total amount of the levy each year may not exceed \$300,000.

Notwithstanding section 121.904, 50 percent of the proceeds of this levy shall be recognized in the fiscal year in which it is certified.

Sec. 6. Minnesota Statutes 1992, section 124.916, subdivision 3, is amended to read:

Subd. 3. [~~MINNEAPOLIS CIVIL SERVICE RETIREMENT LEVIES.~~] (1) In addition to the excess levy authorized in 1976 any district within a city of the first class which was authorized in 1975 to make a retirement levy under Minnesota Statutes 1974, section 275.127 and chapter 422A may levy an amount per pupil unit which is equal to the amount levied in 1975 payable 1976, under Minnesota Statutes 1974, section 275.127 and chapter 422A, divided by the number of pupil units in the district in 1976-1977.

(2) In 1979 and each year thereafter, any district which qualified in 1976 for an extra levy under clause (1) shall be allowed to levy the same amount as levied for retirement in 1978 under this clause reduced each year by ten percent of the difference between the amount levied for retirement in 1971 under Minnesota Statutes 1971, sections 275.127 and 422.01 to 422.54 and the amount levied for retirement in 1975 under Minnesota Statutes 1974, section 275.127 and chapter 422A.

(3) In 1991 and each year thereafter, a district to which this subdivision applies may levy an additional amount required for contributions to the Minneapolis employees retirement fund as a result of the maximum dollar amount limitation on state contributions to the fund imposed under section 422A.101, subdivision 3. The additional levy shall not exceed the most recent amount certified by the board of the Minneapolis employees retirement fund as the district's share of the contribution requirement in excess of the maximum state contribution under section 422A.101, subdivision 3.

(4) For taxes payable in 1994 and thereafter, special school district No. 1, Minneapolis, and independent school district No. 625, St. Paul, may levy for the increase in the employer retirement fund contributions, under Laws 1992, chapter 598, article 5, section 1. Notwithstanding section 121.904, the entire amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

(5) If the employer retirement fund contributions under section 354A.12, subdivision 2a, are increased for fiscal year 1994 or later fiscal years, special school district No. 1, Minneapolis, and independent school district No. 625, St. Paul, may levy in payable 1994 or later an amount equal to the amount derived by applying the net increase in the employer retirement fund contribution rate of the respective teacher retirement fund association between fiscal year 1993 and the fiscal year beginning in the year after the levy is certified to the total covered payroll of the applicable teacher retirement fund association. Notwithstanding section 121.904, the entire amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155. If an applicable school district levies under this paragraph, they may not levy under paragraph (4).

(6) In addition to the levy authorized under paragraph 5, special school district No. 1, Minneapolis, may also levy in payable 1994 or later an amount equal to the state aid contribution under section 354A.12, subdivision 3b. Notwithstanding section 121.904, the entire amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

Sec. 7. Minnesota Statutes 1992, section 125.05, subdivision 1a, is amended to read:

Subd. 1a. [TEACHER AND SUPPORT PERSONNEL QUALIFICATIONS.] (a) The board of teaching shall issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions.

(b) The board shall require a person to successfully complete an examination of skills in reading, writing, and mathematics before being admitted to a post-secondary teacher preparation program approved by the board if that person seeks to qualify for an initial teaching license to provide direct instruction to pupils in ~~kindergarten~~ prekindergarten, elementary, secondary, or special education programs. The board shall require colleges and universities offering a board approved teacher preparation program to provide remedial assistance to persons enrolled in their institution who did not achieve a qualifying score on the skills examination, including those for whom English is a second language. The colleges and universities must provide assistance in the specific academic areas of deficiency in which the person did not achieve a qualifying score. School districts must provide similar, appropriate, and timely remedial assistance to those persons employed by the district who completed their teacher education program outside the state of Minnesota, received a one-year license to teach in Minnesota and did not achieve a qualifying score on the skills examination, including those persons for whom English is a second language.

(c) Before admission to a pilot internship program, the board shall require a person to successfully complete an examination of general pedagogical knowledge. Before granting a first continuing license to participants in the pilot projects, the board shall require a person to successfully complete a supervised and assessed internship in a professional development school and an examination of licensure-specific teaching skills. The board shall determine effective dates for the examination of general pedagogical knowledge, the internship, and examinations of licensure-specific skills.

Sec. 8. Minnesota Statutes 1992, section 125.185, subdivision 4, is amended to read:

Subd. 4. [LICENSE AND RULES.] (a) The board shall adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board shall adopt rules requiring successful completion of an examination of skills in reading, writing, and mathematics before being admitted to a teacher preparation program. Such rules shall require college and universities offering a board approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination, including those for whom English is a second language.

(c) The board shall adopt rules to approve teacher preparation programs.

(d) The board shall provide the leadership and shall adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.

(e) The board shall adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board, but not later than July 1, 1999.

(f) Until July 1, 1998, the board may select schools to be pilot professional development schools according to initial criteria adopted by the board. Initial criteria are not subject to chapter 14. Upon specific legislative authorization to implement a statewide restructured licensure program, the board shall adopt rules to approve or disapprove professional development schools.

(g) The board shall adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(h) The board shall grant licenses to interns and to candidates for initial licenses.

(i) The board shall design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(j) The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(k) The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. The board shall not establish any expiration date for application for life licenses.

(l) With regard to post-secondary vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board of technical colleges.

Sec. 9. [125.623] [TEACHERS OF COLOR PROGRAM.]

Subdivision 1. [DEFINITION.] For purposes of this section, "people of color" means permanent United States residents who are African-American, American Indian or Alaskan native, Asian or Pacific Islander, or Hispanic.

Subd. 2. [GRANTS.] The commissioner of education in consultation with the multicultural advisory committee established in section 126.81 shall award grants for professional development programs to recruit and educate people of color in the field of education, including early childhood and parent education. Grant applicants must be a school district with a growing minority population working in collaboration with a state institution of higher education with an approved teacher licensure program or an approved early childhood or parent education licensure program.

Subd. 3. [PROGRAM REQUIREMENTS.] (a) A grant recipient shall recruit persons of color to be teachers in elementary, secondary, early childhood or parent education, and provide support in linking program participants with jobs in the recipient's school district.

(b) A grant recipient shall establish an advisory council composed of representatives of communities of color.

(c) A grant recipient, with the assistance of the advisory council, shall recruit high school students and other persons, support them through the higher education application and admission process, advise them while enrolled and link them with support resources in the college or university and the community.

(d) A grant recipient shall award stipends to students of color enrolled in an approved licensure program to help cover the costs of tuition, student fees, supplies, and books. Stipend awards must be based on a student's financial need and students must apply for any additional financial aid they are eligible for to supplement this program. No more than ten percent of the grant may be used for costs of administering the program. Students must agree to teach in the grantee school district for at least two years after licensure. If the district has no licensed positions open, the student may teach in another district in Minnesota.

(e) The commissioner of education shall consider the following criteria in awarding grants:

(1) whether the program is likely to increase the recruitment and retention of students of color in teaching;

(2) whether grant recipients will recruit paraprofessionals from the district to work in its schools; and

(3) whether grant recipients will establish or have a mentoring program for students of color.

Sec. 10. [126.81] [STATE MULTICULTURAL EDUCATION ADVISORY COMMITTEE.]

(a) The commissioner shall appoint a state multicultural education advisory committee to advise the department and the state board on multicultural education. The committee must have 12 members and be composed of representatives from among the following groups and community organizations: African-American, Asian-Pacific, Hispanic, and American Indian.

(b) The state committee shall provide information and recommendations on:

(1) department procedures for reviewing and approving district plans and disseminating information on multicultural education;

(2) department procedures for improving inclusive education plans, curriculum and instruction improvement plans, and performance-based assessments;

(3) developing learner outcomes which are multicultural; and

(4) other recommendations that will further inclusive, multicultural education.

(c) The committee shall also participate in determining the criteria for and awarding the grants established under section 16, subdivision 10.

Sec. 11. Minnesota Statutes 1992, section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]

When by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of a city, township or school district for a taxable year is reduced after the taxes for the year have been spread by the county auditor, and when the local tax rate determined by the county auditor based on the original net tax capacity is applied on the reduced net tax capacity and does not produce the full amount of taxes actually levied and certified for that taxable year on the original net tax capacity, the city, township or school district may include an additional amount in its tax levy made following final determination and notice of the reduction in net tax capacity. The amount shall equal the difference between the total amount of taxes actually levied and certified for that taxable year upon the original net tax capacity, not exceeding the maximum amount which could be raised on the net tax capacity as reduced, within existing local tax rate limitations, if any, and the amount of taxes collected for that taxable year on the reduced net tax capacity. The total tax levy authorized for a school district by this section may also include an amount equal to any interest paid on the abatement refunds. The levy for a school district shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. As part of the certification required by section 124.918, subdivision 1, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.

Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

Sec. 12. Minnesota Statutes 1992, section 475.61, subdivision 3, is amended to read:

Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except as provided in this subdivision.

In each year when there is on hand any excess amount in the debt redemption fund of a school district at the time the district makes its property tax levies, the amount of the excess shall be certified by the school board to the ~~county auditor~~ commissioner. The commissioner shall report the amount of the excess to the county auditor and the auditor shall reduce the tax levy otherwise to be included in the rolls next prepared by the amount certified. The commissioner shall prescribe the form and calculation to be used in computing the excess amount. The school board may, with the approval of the commissioner, retain the excess amount if it is necessary to ensure the prompt and full payment of the obligations and any call premium on the obligations, or will be used for redemption of the obligations in accordance with their terms. The school board may, with the approval of the commissioner, specify a tax levy in a higher amount if necessary because of anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.

If the governing body, including the governing body of a school district, in any year makes an irrevocable appropriation to the debt service fund of money actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

Sec. 13. [COMMISSIONER APPROVAL; INTEREST ON PAYMENTS.]

For taxes payable in 1994, the commissioner of education must grant approval of all levies for interest payments on abatement refunds. If the total amount of levy would exceed \$1,000,000, the commissioner shall proportionately reduce each district's interest on abatements levy.

Sec. 14. [PLAN FOR STATE SKILLS EXAM.]

Subdivision 1. [PLAN CONTENT.] The board of teaching shall develop a plan to assure that questions contained in the skills examination in reading, writing, and mathematics, which persons must successfully complete before being admitted to an approved teacher preparation program under Minnesota Statutes, section 125.05, subdivision 1a, clause (b) are culturally sensitive. The board shall include in the plan how it proposes to assure that the examination questions are culturally sensitive, evaluate interpersonal skills, and more comprehensively assess general knowledge and skills. The board shall seek the assistance of organizations representing diverse cultures in developing the plan. The board shall submit its plan to the education committees of the legislature by February 15, 1994.

Subd. 2. [PROVISIONAL LICENSES.] Persons who have successfully completed an approved teacher preparation program and obtained a provisional license to teach, but have not completed the skills examination required under Minnesota Statutes, section 125.05, subdivision 1a, clause (b), may continue to teach under a provisional license until the plan required under subdivision 1 is implemented.

Sec. 15. Laws 1991, chapter 256, article 8, section 14, as amended by Laws 1992, chapter 499, article 7, section 14, is amended to read:

Sec. 14. [NONOPERATING FUND TRANSFERS.]

By June 30, 1992, and by June 30, 1993, a school district may permanently transfer money from the capital expenditure facilities or equipment accounts and from the debt redemption fund, to the extent the transferred money is not needed for principal and interest payments on bonds outstanding at the time of transfer, to the transportation fund, capital expenditure fund, or the debt redemption fund. A transfer may not be made from the capital expenditure facilities or equipment accounts that results in a deficit account balance in either account or a deficit in the combined account balance for facilities and equipment as of June 30, 1992, or as of June 30, 1993. No levies and no state aids shall be reduced as a result of a transfer. Each district transferring money from the capital expenditure facilities or equipment accounts shall report to the commissioner of education on each transfer. A district may not transfer money from the debt redemption fund to the capital expenditure fund or to the transportation fund without

prior approval from the commissioner of education. The commissioner shall approve a transfer from the debt redemption fund only if: (1) the district retired its bonded indebtedness during fiscal year 1992 or 1993 or an earlier fiscal year and the district's general education levy was not reduced under Minnesota Statutes, section 475.61, subdivision 4, for taxes payable in 1993, or an earlier year, or (2) the district's 1991 payable 1992 or 1992 payable 1993 debt service levy was reduced to zero according to Minnesota Statutes, section 475.61, subdivision 3. The commissioner of education shall report to the chairs of the education funding divisions of the house of representatives and the senate the aggregate transfers, by fund, made by school districts.

Sec. 16. [FUND TRANSFERS.]

Subdivision 1. [SPRINGFIELD.] Notwithstanding Minnesota Statutes, sections 121.912 and 121.9121 or other law, independent school district No. 85, Springfield, may permanently transfer a total of up to \$600,000, as necessary, from its general fund to its capital expenditure fund before July 1, 1995.

Subd. 2. [REMER-LONGVILLE.] Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, independent school district No. 118, Remer-Longville, may permanently transfer \$125,000 in fiscal year 1993 from the bus purchase account to the capital expenditure fund without making a levy reduction.

Subd. 3. [HOLDINGFORD.] Notwithstanding Minnesota Statutes, sections 121.912, 121.9121, and 475.61, subdivision 4, or any other law, on June 30, 1993, independent school district No. 738, Holdingford, may permanently transfer up to \$51,000 from its debt redemption fund to its general fund.

Subd. 4. [MANKATO.] Notwithstanding Minnesota Statutes, section 124.2713, subdivision 8, or any other law to the contrary, independent school district No. 77, Mankato, may expend up to \$250,000 from the community service fund for the purpose of removing architectural barriers from the Lincoln community center to provide access to persons with disabilities.

Subd. 5. [ST. MICHAEL-ALBERTVILLE.] Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, independent school district No. 885, St. Michael-Albertville, may permanently transfer up to \$105,000 in fiscal year 1993 from its debt redemption fund to the capital expenditure equipment fund.

Subd. 6. [SARTELL.] Notwithstanding Minnesota Statutes, sections 121.912, 121.9121, and 475.61, subdivision 4, or any other law, on June 30, 1993, independent school district No. 748, Sartell, may permanently transfer any amount not currently needed from its debt redemption fund to the building construction fund.

Subd. 7. [GLENCOE.] Notwithstanding Minnesota Statutes, sections 121.912 and 121.9121 or other law, independent school district No. 422, Glencoe, may permanently transfer a total of up to \$100,000, as necessary, from its early childhood family education fund to its capital expenditure facilities fund before July 1, 1994.

Subd. 8. [COLD SPRING.] Notwithstanding Minnesota Statutes, sections 121.912, 121.9121, and 475.61, subdivision 4, or any other law, on June 30, 1993 independent school district No. 750, Cold Spring, may permanently transfer an amount not to exceed \$66,000 from its debt redemption fund to the transportation fund.

Subd. 9. [GRYGLA.] Notwithstanding Minnesota Statutes 1992, section 121.912, subdivision 1, or any other law to the contrary, on June 30, 1993, independent school district No. 447, Grygla, may permanently transfer an amount not to exceed \$100,000 from its debt redemption fund to the capital expenditure fund.

Sec. 17. [EARLY RETIREMENT INCENTIVE.]

Subdivision 1. [BOARD MUST OFFER.] A school board, a joint vocational technical district under Minnesota Statutes, section 136C.60, or an intermediate school district under Minnesota Statutes, chapter 136D, must offer the early retirement incentive provided in this section to a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, who is eligible under subdivision 2.

Subd. 2. [ELIGIBILITY.] A teacher is eligible to receive the incentive if the person:

(1) has at least 25 years of combined service credit in any Minnesota public pension plans governed by Minnesota Statutes, section 356.30, subdivision 3, or is at least 65 years old and has at least one year of combined service credit in these pension plans;

(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan;

(3) is at least 55 years of age; and

(4) retires on or after May 17, 1993, and before August 1, 1993.

Subd. 3. [INCENTIVE.] For a person who selects the incentive under this section, the multiplier percentage used to calculate the retirement annuity must be increased by .10 for each year of allowable service credit up to 30 years.

Subd. 4. [CONDITIONS.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85.

Sec. 18. [EMPLOYER-PAID HEALTH INSURANCE.]

Subdivision 1. [PUBLIC EMPLOYEES.] A school district, intermediate school district, or joint vocational technical district formed under Minnesota Statutes, sections 136C.60 to 136C.69, shall provide employer-paid hospital, medical, and dental benefits to a person who:

(1) is eligible for employer-paid insurance under collective bargaining agreements or personnel plans in effect on the day before the effective date of this section;

(2) has at least 25 years of combined service credit in any Minnesota public pension plans other than volunteer firefighter plans;

(3) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement;

(4) upon retirement is immediately eligible for a retirement annuity if the person is a member of a defined benefit plan;

(5) is at least 55 and not yet 65 years of age; and

(6) in the case of a school district employee, retires on or after May 15, 1993, and before July 21, 1993; and in the case of an employee of another employer in this subdivision, retires on or after July 1, 1993, and before October 1, 1993.

Subd. 2. [CONDITIONS; COVERAGE.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. The retired employee is eligible for single and dependent coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the employee chooses not to receive the retirement benefits for which the employee has applied, or when the employee is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

Subd. 3. [RULE OF 90.] An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85.

Subd. 4. [APPLICATION OF OTHER LAWS.] Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of Minnesota Statutes, chapter 179A. The authority provided in this section for an employer to pay health insurance costs for certain retired employees is not subject to the limits in Minnesota Statutes, section 179A.20, subdivision 2a.

Subd. 5. [SCHOOL DISTRICT LEVY.] A school district may levy the amount necessary to make employer contributions for insurance for retired employees under this section. Notwithstanding Minnesota Statutes, section 121.904, 50 percent of the amount levied must be recognized as revenue for the fiscal year in which the levy is certified. This levy must not be considered in computing the aid reduction under Minnesota Statutes, section 124.155. If a school district levies according to this section, it may not also levy according to Minnesota Statutes, section 122.531, subdivision 9, for eligible employees.

Sec. 19. Laws 1991, chapter 265, article 1, section 30, is amended to read:

Sec. 30. [BADGER SCHOOL DISTRICT FUND BALANCE.]

If independent school district No. 676, Badger, receives payment of delinquent property taxes from one taxpayer and the payment is more than five percent of the total property taxes paid in the fiscal year in which the payment is received, general education revenue for the district shall not be reduced according to Minnesota Statutes, section 124A.26, subdivision 1, for an excess fund balance attributed to the payment for the following ~~two~~ five fiscal years.

Sec. 20. [BOARD OF TEACHING APPROPRIATION.]

Subdivision 1. [BOARD OF TEACHING.] The sums indicated in this section are appropriated from the general fund to the board of teaching in the fiscal year indicated.

Subd. 2. [FELLOWSHIP GRANTS.] (a) For fellowship grants to highly qualified minorities seeking alternative preparation for licensure:

<u>\$100,000</u>	.....	<u>1994</u>
<u>\$100,000</u>	.....	<u>1995</u>

(b) A grant must not exceed \$5,000 with one-half paid each year for two years. Grants must be awarded on a competitive basis by the board. Grant recipients must agree to remain as teachers in the district for two years if they satisfactorily complete the alternative preparation program and if their contracts as probationary teachers are renewed.

Subd. 3. [TEACHER EDUCATION IMPROVEMENT.] For board of teaching responsibilities relating to implementation of the teaching residency program:

<u>\$300,000</u>	.....	<u>1994</u>
<u>\$300,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. [TEACHER MENTORING PROGRAMS.] For teacher mentoring programs according to Minnesota Statutes, section 125.131:

<u>\$340,000</u>	.....	<u>1994</u>
<u>\$340,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel but is available in the second year.

Sec. 21. [MINNESOTA CENTER FOR ARTS EDUCATION APPROPRIATION.]

Subdivision 1. [ARTS CENTER.] The sums indicated in this section are appropriated from the general fund to the Minnesota center for arts education in the fiscal year designated:

<u>\$387,000</u>	.....	<u>1994</u>
<u>\$421,000</u>	.....	<u>1995</u>

Of the fiscal year 1994 appropriation, \$225,000 is to fund artist and arts organization participation in the education residency project, \$75,000 is for school support for the residency project, and \$87,000 is for further development of the partners: arts and school for students (PASS) program, including pilots. Of the fiscal year 1995 appropriation, \$215,000 is to fund artist and arts organizations participation in the education residency project, \$75,000 is for school support for the residency project, and \$121,000 is to fund the PASS program, including additional pilots. The guidelines for the education residency project and the pass program shall be developed and defined by the Minnesota arts board. The Minnesota arts board shall participate in the review and allocation process. The center for arts education shall cooperate with the Minnesota arts board to fund these projects.

## Sec. 22. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums in this section are appropriated, unless otherwise indicated, from the general fund to the department of education for the fiscal years designated.

Subd. 2. [ABATEMENT AID.] For abatement aid according to Minnesota Statutes, section 124.214:

<u>\$7,334,000</u>	.....	<u>1994</u>
<u>\$7,567,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$902,000 for 1993 and \$6,432,000 for 1994.

The 1995 appropriation includes \$1,135,000 for 1994 and \$6,432,000 for 1995.

Subd. 3. [INTEGRATION GRANTS.] (a) For grants to districts implementing desegregation plans mandated by the state board:

<u>\$18,844,000</u>	.....	<u>1994</u>
<u>\$18,844,000</u>	.....	<u>1995</u>

(b) \$1,385,000 each year must be allocated to independent school district No. 709, Duluth; \$9,368,300 each year must be allocated to special school district No. 1, Minneapolis; and \$8,090,500 each year must be allocated to independent school district No. 625, St. Paul. As a condition of receiving a grant, each district must deposit any increase in state aid over the fiscal year 1993 amount in a separate account. Each district must continue to report its costs according to the uniform financial accounting and reporting system. Each district must use the increase in aid to provide educational programs including assurance of mastery under Minnesota Statutes, section 124.311, English as a second language, individualized learning and development under Minnesota Statutes, sections 124.331 to 124.333, and reading recovery. Each district must submit a report to the chairs of the education committees of the legislature about the actual expenditures it made to integrate schools using the grant money. The report must indicate changes in student performance as a result of the expenditure of these grants. These grants may be used to transport students attending a nonresident district under Minnesota Statutes, section 120.062, to the border of the resident district. A district may allocate a part of the grant to the transportation fund for this purpose.

Subd. 4. [NONPUBLIC PUPIL AID.] For nonpublic pupil education aid according to Minnesota Statutes, sections 123.931 to 123.947:

<u>\$9,623,000</u>	.....	<u>1994</u>
<u>\$9,696,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,333,000 for 1993 and \$8,290,000 for 1994.

The 1995 appropriation includes \$1,463,000 for 1994 and \$8,233,000 for 1995.

Subd. 5. [SCHOOL LUNCH AND FOOD STORAGE AID.] (a) For school lunch aid according to Minnesota Statutes, section 124.646, and Code of Federal Regulations, title 7, section 210.17, and for food storage and transportation costs for United States Department of Agriculture donated commodities; and for a temporary transfer to the commodity processing revolving fund to provide cash flow to permit schools and other recipients of donated commodities to take advantage of volume processing rates and for school milk aid according to Minnesota Statutes, section 124.648:

<u>\$6,525,000</u>	.....	<u>1994</u>
<u>\$6,525,000</u>	.....	<u>1995</u>

(b) Any unexpended balance remaining from the appropriations in this subdivision shall be prorated among participating schools based on the number of free, reduced, and fully paid federally reimbursable student lunches served during that school year.

(c) If the appropriation amount attributable to either year is insufficient, the rate of payment for each student lunch shall be reduced and the aid for that year shall be prorated among participating schools so as not to exceed the total authorized appropriation for that year.

(d) Any temporary transfer processed in accordance with this subdivision to the commodity processing fund will be returned by June 30 in each year so that school lunch aid and food storage costs can be fully paid as scheduled.

(e) Not more than \$800,000 of the amount appropriated each year may be used for school milk aid.

Subd. 6. [SCHOOL BREAKFAST.] To operate the school breakfast program:

<u>\$200,000</u>	.....	<u>1994</u>
<u>\$200,000</u>	.....	<u>1995</u>

If the appropriation amount attributable to either year is insufficient, the rate of payment for each student breakfast shall be reduced and the aid for that year shall be prorated among participating schools so as not to exceed the total authorized appropriation for that year. Any unexpected balance remaining shall be used to subsidize the payments made for school lunch aid per Minnesota Statutes, section 124.646.

Subd. 7. [MINORITY TEACHER INCENTIVES.] For minority teacher incentives according to Minnesota Statutes, section 124.278:

<u>\$600,000</u>	.....	<u>1994</u>
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Any unexpended balance remaining in 1994 does not cancel but is available in 1995.

Subd. 8. [CROSS-CULTURAL INITIATIVES.] For cross-cultural initiatives:

<u>\$135,000</u>	.....	<u>1994.</u>
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(a) \$10,000 is for the State Multicultural Education Advisory Council.

(b) \$125,000 is for four groups of grants, each group in the total amount of \$31,250. The grants shall be awarded by the department of education to community groups representing persons of the following racial-ethnic heritages:

- (1) African-American;
- (2) American Indian;
- (3) Asian-Pacific; and
- (4) Hispanic.

At least one grant shall be awarded on behalf of persons in each racial-ethnic group in clauses (1) to (4).

The grants shall be used to enhance cross-cultural understanding among K-12 students and staff. The community groups that receive grants shall work with school districts to present or develop programs for students or staff.

The department shall develop criteria in consultation with the State Multicultural Education Advisory Council for awarding grants to community groups to develop cross-cultural understanding. Community groups must meet the criteria developed by the department and the committee in order to receive a grant.

(c) Any balance from the 1994 appropriation does not cancel but is available for fiscal year 1995.

Subd. 9. [APPROPRIATIONS FOR SCHOOL DISTRICTS.] For grants to certain school districts:

<u>\$ 50,000</u>	.....	<u>1994</u>
<u>\$ 50,000</u>	.....	<u>1995</u>

\$20,000 in 1994 and \$20,000 in 1995 are for grants to independent school district No. 707, Nett Lake, to pay insurance premiums under Minnesota Statutes, section 466.06.

\$30,000 in 1994 and \$30,000 in 1995 are for grants to independent school district No. 707, Nett Lake, for the payment of obligations of the school district for unemployment compensation. The appropriation must be paid to the appropriate state agency for such purposes in the name of the school district.

Subd. 10. [SUMMER FOOD SERVICE INCENTIVES.] For an increase of up to 30 in the number of department approved summer food service programs:

<u>\$30,000</u>	.....	<u>1994</u>
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The appropriation is available until June 30, 1995.

Each new program sponsor is eligible for a \$1,000 grant.

Subd. 11. [CAREER TEACHER AID.] For career teacher aid according to Minnesota Statutes, section 124.276:

<u>\$250,000</u>	.....	<u>1994</u>
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Any unexpended balance remaining in the first year does not cancel but is available in the second year.

Notwithstanding Minnesota Statutes 1989 Supplement, section 124.276, subdivision 2, the aid may be used for the increased district contribution to the teachers' retirement association and to FICA resulting from the portion of the teaching contract that is in addition to the standard teaching contract of the district.

Subd. 12. [TEACHERS OF COLOR PROGRAM.] For grants to school districts for the teachers of color program:

<u>\$300,000</u>	.....	<u>1994</u>
<u>\$300,000</u>	.....	<u>1995</u>

Of this appropriation, at least \$75,000 each fiscal year shall be for educating people of color to be early childhood and parent educators.

Subd. 13. [EDUCATION IN AGRICULTURE LEADERSHIP COUNCIL.] For operating expenses of the Minnesota education in agriculture leadership council.

<u>\$50,000</u>	.....	<u>1994</u>
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Any balance in the first year does not cancel but is available in the second year.

Sec. 23. [EFFECTIVE DATE.]

Section 11 is effective July 1, 1993, and applies for the first time to levies for 1993 taxes payable in 1994.

Sections 16 and 19 are effective the day following final enactment.

Section 14 is effective the day after final enactment.

Section 17 is effective the day following final enactment.

## ARTICLE 9

### MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 120.0621, is amended to read:

120.0621 [ENROLLMENT OPTIONS PROGRAMS IN BORDER STATES.]

Subdivision 1. [OPTIONS FOR ENROLLMENT IN ADJOINING STATES.] Minnesota pupils and pupils residing in adjoining states may enroll in school districts in the other state according to:

- (1) section 120.08, subdivision 2; or
- (2) this section.

Subd. 2. [PUPILS IN MINNESOTA.] A Minnesota resident pupil may enroll in a school district in an adjoining state if the district ~~is located in a county that to be attended~~ borders Minnesota.

Subd. 3. [PUPILS IN BORDERING STATES.] A non-Minnesota pupil who resides in an adjoining state in a ~~county school district~~ that borders Minnesota may enroll in a Minnesota school district if either the school board of the district in which the pupil resides or state in which the pupil resides pays tuition to the school district in which the pupil is enrolled. ~~The tuition must be an amount that is at least comparable to the tuition specified in section 120.08, subdivision 1.~~

Subd. 4. [PROCEDURAL REQUIREMENTS.] Except as otherwise provided in this section, the rights and duties set forth in section 120.062 apply to Minnesota pupils, parents, and school districts if a pupil enrolls in a nonresident district according to this section.

~~Subd. 5. [AID ADJUSTMENTS.] The state of Minnesota shall make adjustments to general education aid, capital expenditure facilities aid, and capital expenditure equipment aid according to sections 124A.036, subdivision 5, and 124.245, subdivision 6, respectively, for the resident district of a Minnesota pupil enrolled in another state according to this section. The state of Minnesota shall reimburse the nonresident district, according to section 120.08, subdivision 1, in which a Minnesota pupil is enrolled according to this section.~~

Subd. 5a. [TUITION PAYMENTS.] In each odd-numbered year, before March 1, the state board of education shall agree to rates of tuition for Minnesota elementary and secondary pupils attending in other states for the next two fiscal years. The board shall negotiate equal, reciprocal rates with the designated authority in each state for pupils who reside in an adjoining state and enroll in a Minnesota school district. The rates must be at least equal to the tuition specified in section 120.08, subdivision 1. The tuition rate for a pupil with a disability must be equal to the actual cost of instruction and services provided. The resident district of a Minnesota pupil attending in another state under this section must pay the amount of tuition agreed upon in this section to the district of attendance, prorated on the basis of the proportion of the school year attended.

Subd. 5b. [TRANSPORTATION OF STUDENTS.] (a) The agreement under subdivision 5a with each state must specify that the attending district in each state transport a pupil from the district boundary to the school of attendance.

(b) Notwithstanding paragraph (a), the districts of residence and attendance may agree that either district may provide transportation from a pupil's home or agreed upon location to school. Transportation aid for Minnesota students eligible for aid shall be paid only for transportation within the resident district.

Subd. 6. [EFFECTIVE IF RECIPROCAL.] This section is effective with respect to South Dakota upon enactment of provisions by South Dakota that are essentially similar to the ~~rights and duties of provisions for Minnesota pupils residing in districts located in all South Dakota counties that border Minnesota in this section.~~ After July 1, 1993, this section is effective with respect to any other bordering state upon enactment of provisions by the bordering state that are essentially similar to the ~~rights and duties of pupils residing in and districts located in all counties that border provisions for Minnesota pupils in this section.~~

Sec. 2. Minnesota Statutes 1992, section 120.064, subdivision 1, is amended to read:

Subdivision 1. [PURPOSES.] (a) The purpose of this section is to:

- (1) improve pupil learning;
- (2) increase learning opportunities for pupils;
- (3) encourage the use of different and innovative teaching methods;
- (4) require the measurement of learning outcomes and create different and innovative forms of measuring outcomes;
- (5) establish new forms of accountability for schools; or
- (6) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) This section does not provide a means to keep open a school that otherwise would be closed. Applicants in these circumstances bear the burden of proving that conversion to an outcome-based school fulfills a purpose specified in this subdivision, independent of the school's closing.

Sec. 3. Minnesota Statutes 1992, section 120.064, subdivision 3, is amended to read:

Subd. 3. [SPONSOR.] ~~(a)~~ A school board may sponsor ~~an~~ one or more outcome-based ~~school~~ schools.

(b) A school board may authorize a maximum of ~~two~~ five outcome-based schools. No more than a total of ~~eight~~ 20 outcome-based schools may be authorized. The state board of education shall advise potential sponsors when the maximum number of outcome-based schools has been authorized.

Sec. 4. Minnesota Statutes 1992, section 120.064, subdivision 4, is amended to read:

Subd. 4. [FORMATION OF SCHOOL.] (a) A sponsor may authorize one or more licensed teachers under section 125.05, subdivision 1, to ~~form and~~ operate an outcome-based school subject to approval by the state board of education. If a school board elects not to sponsor an outcome-based school, the applicant may appeal the school board's decision to the state board of education if two members of the school board voted to sponsor the school. If the state board authorizes the school, the state board shall sponsor the school according to this section. The ~~teachers~~ school shall ~~organize~~ be organized and ~~operate a school~~ operated as a cooperative under chapter 308A or nonprofit corporation under chapter 317A.

(b) ~~Before a teacher~~ the operators may ~~begin to~~ form and operate a school, the sponsor must file an affidavit with the state board of education stating its intent to authorize an outcome-based school. The affidavit must state the terms and conditions under which the sponsor would authorize an outcome-based school. The state board must approve or disapprove the sponsor's proposed authorization within 30 days of receipt of the affidavit. Failure to obtain state board approval precludes a sponsor from authorizing the outcome-based school that was the subject of the affidavit.

(c) ~~The teachers~~ operators authorized to organize and operate a school shall hold an election for members of the school's board of directors in a timely manner after the school is operating. ~~All~~ Any staff members who are employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents of children enrolled in the school may participate in the election. Licensed teachers employed at the school, including teachers providing instruction under a contract with a cooperative, must be a majority of the members of the board of directors. A provisional board may operate before the election of the school's board of directors.

~~(d) The sponsor's authorization for an outcome-based school shall be in the form of a written contract signed by the sponsor and the board of directors of the outcome-based school.~~

Sec. 5. Minnesota Statutes 1992, section 120.064, is amended by adding a subdivision to read:

Subd. 4a. [CONVERSION OF EXISTING SCHOOLS.] A school board may convert one or more of its existing schools to outcome-based schools under this section if 90 percent of the full-time teachers at the school sign a petition seeking conversion. The conversion must occur at the beginning of an academic year.

Sec. 6. Minnesota Statutes 1992, section 120.064, subdivision 5, is amended to read:

Subd. 5. [CONTRACT.] The sponsor's authorization for an outcome-based school shall be in the form of a written contract signed by the sponsor and the board of directors of the outcome-based school. The contract for an outcome-based school shall be in writing and contain at least the following:

- (1) a description of a program that carries out one or more of the purposes in subdivision 1;
- (2) specific outcomes pupils are to achieve under subdivision 10;
- (3) admission policies and procedures;
- (4) management and administration of the school;
- (5) requirements and procedures for program and financial audits;
- (6) how the school will comply with subdivisions 8, 13, 15, and 21;
- (7) assumption of liability by the outcome-based school;
- (8) types and amounts of insurance coverage to be obtained by the outcome-based school; and
- (9) the term of the contract which may be up to three years.

Sec. 7. Minnesota Statutes 1992, section 120.064, subdivision 8, is amended to read:

Subd. 8. [REQUIREMENTS.] (a) An outcome-based school shall meet ~~the same~~ all applicable state and local health and safety requirements ~~required of a school district.~~

(b) ~~The school must be located in Minnesota~~ the sponsoring district, unless another school board agrees to locate an outcome-based school sponsored by another district in its boundaries. Its specific location may not be prescribed or limited by a sponsor or other authority except a zoning authority. If a school board denies a request to locate within its boundaries an outcome-based school sponsored by another district, the sponsoring district may appeal to the state board of education. If the state board authorizes the school, the state board shall sponsor the school.

(c) The school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize an outcome-based school or program that is affiliated with a nonpublic sectarian school or a religious institution.

(d) The primary focus of the school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(e) The school may not charge tuition.

(f) The school is subject to and shall comply with chapter 363 and section 126.21.

(g) The school is subject to and shall comply with the pupil fair dismissal act, sections 127.26 to 127.39, and the Minnesota public school fee law, sections 120.71 to 120.76.

(h) The school is subject to the same financial audits, audit procedures, and audit requirements as a school district. The audit must be consistent with the requirements of sections 121.901 to 121.917, except to the extent deviations are necessary because of the program at the school. The department of education, state auditor, or legislative auditor may conduct financial, program, or compliance audits.

(i) The school is a school district for the purposes of tort liability under chapter 466.

Sec. 8. Minnesota Statutes 1992, section 120.064, subdivision 9, is amended to read:

Subd. 9. [ADMISSION REQUIREMENTS.] The school may limit admission to:

(1) pupils within an age group or grade level;

(2) people who are eligible to participate in the high school graduation incentives program under section 126.22;  
or

(3) ~~pupils who have a specific affinity for the school's teaching methods, the school's learning philosophy, or a subject such as mathematics, science, fine arts, performing arts, or a foreign language; or~~

(4) residents of a specific geographic area if where the percentage of the population of non-Caucasian people ~~in the geographic of that area~~ is greater than the percentage of the non-Caucasian population in the congressional district in which the geographic area is located, and as long as the school reflects the racial and ethnic diversity of ~~that the~~ specific area.

The school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils shall be accepted by lot.

The school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.

Sec. 9. Minnesota Statutes 1992, section 120.064, subdivision 11, is amended to read:

Subd. 11. [EMPLOYMENT AND OTHER OPERATING MATTERS.] The school's ~~board of directors~~ school shall employ ~~and~~ or contract with necessary teachers, as defined by section 125.03, subdivision 1, who hold valid licenses to perform the particular service for which they are employed in the school. The ~~board~~ school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The ~~board~~ school may discharge teachers and nonlicensed employees.

The board of directors also shall decide matters related to the operation of the school, including budgeting, curriculum and operating procedures.

Sec. 10. Minnesota Statutes 1992, section 120.064, subdivision 16, is amended to read:

Subd. 16. [LEASED SPACE.] The school may lease space from a board eligible to be a sponsor or other public or private nonprofit nonsectarian organization. If a school is unable to lease appropriate space from an eligible board or other public or private nonprofit nonsectarian organization, the school may lease space from another nonsectarian organization if the department of education, in consultation with the department of administration, approves the lease.

Sec. 11. Minnesota Statutes 1992, section 120.064, subdivision 18, is amended to read:

Subd. 18. [DISSEMINATE INFORMATION.] The sponsor, the operators, and the department of education must disseminate information to the public, ~~directly and through sponsors,~~ on how to form and operate an outcome-based school and how to utilize the offerings of an outcome-based school. Particular groups to be targeted include low-income families and communities, and students of color.

Sec. 12. Minnesota Statutes 1992, section 120.064, subdivision 21, is amended to read:

Subd. 21. [CAUSES FOR NONRENEWAL OR TERMINATION.] (a) The duration of the contract with a sponsor shall be for the term contained in the contract according to subdivision 5. The sponsor, ~~subject to state board of education approval,~~ may or may not renew a contract at the end of the term for any ground listed in paragraph (b). A sponsor ~~or the state board~~ may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 days before not renewing or terminating a contract, the sponsor, ~~or the state board if the state board is acting to terminate a contract,~~ shall notify the board of directors of the school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that the school's board of directors may request in writing an informal hearing before the sponsor ~~or the state board~~ within 14 days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for a hearing within the 14-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor ~~or the state board~~ shall give reasonable notice to the school's board of directors of the hearing date. The sponsor ~~or the state board~~ shall conduct an informal hearing before taking final action. The sponsor shall take final action to renew or not renew a contract by the last day of classes in the school year. If the sponsor is a local school board, the school's board of directors may appeal the sponsor's decision to the state board of education.

(b) A contract may be terminated or not renewed upon any of the following grounds:

- (1) failure to meet the requirements for pupil performance contained in the contract;
- (2) failure to meet generally accepted standards of fiscal management;
- (3) for violations of law; or
- (4) other good cause shown.

If a contract is terminated or not renewed, the school shall be dissolved according to the applicable provisions of chapter 308A or 317A.

Sec. 13. Minnesota Statutes 1992, section 120.101, subdivision 5, is amended to read:

Subd. 5. [AGES AND TERMS.] For the 1988-1989 school year and the school years thereafter, every child between seven and 16 years of age shall receive instruction for at least 170 the number of days each year required under subdivision 5b. For the 2000-2001 school year and later school years, every child between seven and 18 years of age shall receive instruction for at least 170 the number of days each year required under subdivision 5b. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall receive instruction at least equivalent to 170 half days half of each day for the number of days each year set out in subdivision 5b. Except as provided in subdivision 5a, a parent may withdraw a child under the age of seven from enrollment at any time.

Sec. 14. Minnesota Statutes 1992, section 120.101, subdivision 5b, is amended to read:

Subd. 5b. [INSTRUCTIONAL DAYS.] Every child required to receive instruction according to subdivision 5 shall receive instruction for at least ~~the number of 170 days through the 1994-1995 school year, and for later years, at least the number of days per school year required~~ in the following schedule:

- (1) 1995-1996, 172;
- (2) 1996-1997, 174;
- (3) 1997-1998, 176;
- (4) 1998-1999, 178;
- (5) 1999-2000, 180;
- (6) 2000-2001, 182;
- (7) 2001-2002, 184;
- (8) 2002-2003, 186;
- (9) 2003-2004, 188; and
- (10) 2004-2005, and later school years, 190.

Sec. 15. Minnesota Statutes 1992, section 120.102, subdivision 1, is amended to read:

Subdivision 1. [REPORTS TO SUPERINTENDENT.] The person in charge of providing instruction to a child shall submit the following information to the superintendent of the district in which the child resides:

- (1) by October 1 of each school year, the name, age, and address of each child receiving instruction;
- (2) the name of each instructor and evidence of compliance with one of the requirements specified in section 120.101, subdivision 7;
- (3) an annual instructional calendar showing that instruction will occur on at least 170 the number of days required under section 120.101, subdivision 5b; and
- (4) for each child instructed by a parent who meets only the requirement of section 120.101, subdivision 7, clause (6), a quarterly report card on the achievement of the child in each subject area required in section 120.101, subdivision 6.

Sec. 16. Minnesota Statutes 1992, section 121.16, subdivision 1, is amended to read:

Subdivision 1. The department shall be under the administrative control of the commissioner of education which office is established. The commissioner shall be the secretary of the state board. The governor shall appoint the commissioner ~~shall be appointed by the state board with the approval of the governor~~ under the provisions of section 15.06. ~~For purposes of section 15.06, the state board is the appointing authority.~~

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. The commissioner shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the department. The commissioner shall make recommendations to the board and be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out its duties.

Sec. 17. Minnesota Statutes 1992, section 121.16, is amended by adding a subdivision to read:

Subd. 1a. The commissioner shall review all education-related mandates in state law or rule once every four years to determine which mandates fail to adequately promote public education in the state. The commissioner shall report the findings of the review to the education committees of the legislature by February 1 in the year following the completion of the review.

Sec. 18. Minnesota Statutes 1992, section 122.23, subdivision 18, is amended to read:

Subd. 18. (a) The county auditor shall determine a date, not less than 20 nor more than 60 days from the date that the order setting the effective date of the consolidation according to subdivision 13 was issued, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: two until the July 1 one year after the effective date of the consolidation, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts. If the resolution or petition for consolidation pursuant to subdivision 2 proposed that the board of the newly created district consists of seven members, then seven members shall be elected at this election for the terms provided in this clause except that three members shall hold office until the expiration of two years from said July 1. If the resolution or petition for consolidation pursuant to subdivision 2 proposed the establishment of separate election districts, these members shall be elected from separate election districts according to the provisions of that resolution or petition and of chapter 205A.

(b) The county auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one weeks' published notice shall be given. The notice shall specify the time, place, and purpose of the election.

(c) Any person desiring to be a candidate for a school election shall file an application with the county auditor to have the applicant's name placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(d) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. The county auditor shall determine the location of polling places and the hours the polls shall be open and shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(e) After making a canvass and tabulation, the county auditor shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. The county auditor shall deliver such certificate to the person entitled thereto by certified mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(f) The board of each district included in the new enlarged district shall continue to maintain school therein until the effective date of the consolidation. Such boards shall have power and authority only to make such contracts, to do such things as are necessary to maintain properly the schools for the period prior to that date, and to certify to the county auditor according to levy limitations applicable to the component districts the taxes collectible in the calendar year when the consolidation becomes effective.

(g) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school, or schools of the new district for the next school year, to enter into the necessary negotiations and contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes, when authorized by the voters to issue bonds under the provisions of chapter 475; and on the effective date of the consolidation to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district. The obligations of the new board to teachers employed by component districts shall be governed by the provisions of section 122.532. The obligations of the new board to nonlicensed employees employed by component districts is governed by subdivision 18a.

Sec. 19. Minnesota Statutes 1992, section 122.23, is amended by adding a subdivision to read:

Subd. 18a. [NONLICENSED EMPLOYEES.] (a) As of the effective date of a consolidation of two or more districts or parts of them, each nonlicensed employee employed by an affected district must be assigned to the newly created district.

(b) As of the effective date of a consolidation, any employee organization may petition the commissioner of the bureau of mediation services for a certification election under chapter 179A. An organization certified as the exclusive representative for nonlicensed employees in a particular preexisting district continues as the exclusive representative for those particular employees for a period of 90 days from the effective date of a consolidation. If a petition for representation of nonlicensed employees is filed within 90 days, an exclusive representative for those particular nonlicensed employees continues as the exclusive representative until the bureau of mediation services certification proceedings are concluded.

(c) The terms and conditions of employment of nonlicensed employees assigned to the newly created district are temporarily governed by contracts executed by an exclusive representative for a period of 90 days from the effective date of the consolidation. If a petition for representation is filed with the bureau of mediation services within the 90 days, the contractual terms and conditions of employment for those nonlicensed employees who were governed by a preexisting contract continue in effect until the bureau of mediation services proceedings are concluded and, if an exclusive representative has been elected, until successor contracts are executed between the board of the newly created district and the new exclusive representative. The terms and conditions of employment of nonlicensed employees assigned to the newly created district who were not governed by a collective bargaining agreement at the time of the consolidation are governed by the policies of the board of the newly created district.

(d) The date of first employment in the newly created district is the date on which services were first performed by the employee in the preexisting district. Any sick leave, vacation time, or severance pay benefits accumulated under policies of the preexisting district or contracts between the exclusive representatives and the board of the preexisting district continue to apply in the newly created district to the employees of the preexisting districts, subject to any maximum accumulation limitations negotiated in a successor contract. Future leaves of absence, vacations, or other benefits to be accumulated in the newly created district are governed by board policy or by contract between the exclusive representative of an appropriate unit of employees and the board of the newly created district. The board of the newly created district shall provide, to transferred nonlicensed employees, open enrollment in all insurance plans with no limit on preexisting conditions.

Sec. 20. Minnesota Statutes 1992, section 122.895, subdivision 2, is amended to read:

Subd. 2. [APPLICABILITY.] This section applies to:

- (1) an education district organized according to sections 122.91 to 122.95;
- (2) a cooperative vocational center organized according to section 123.351;
- (3) a joint powers district or board organized according to section 471.59 which employs teachers to provide instruction;
- (4) a joint vocational technical district organized according to sections 136C.60 to 136C.69;

(5) an intermediate district organized according to chapter 136D; and

(6) an educational cooperative service unit which employs teachers to provide instruction; and

(7) school districts participating in an agreement for the cooperative provision of special education services to children with disabilities according to section 120.17, subdivision 4.

Sec. 21. Minnesota Statutes 1992, section 122.895, is amended by adding a subdivision to read:

Subd. 2a. [AGREEMENTS FOR COOPERATIVE SPECIAL EDUCATION.] (a) Upon the termination of an agreement according to section 120.17, subdivision 4, a teacher employed to provide special education services by a school district participating in the agreement will be afforded rights to employment by other school districts according to subdivisions 3, 4, and 5. Nonlicensed employees of a participating district employed to provide special education services will, upon the agreement's termination, be afforded rights to employment by other participating districts according to subdivision 8.

(b) Upon a school district's withdrawal from the cooperative provision of special education under an agreement according to section 120.17, subdivision 4, a teacher employed to provide special education services by a participating district will be afforded rights to employment by other school districts according to subdivisions 3, 6, and 7. Nonlicensed employees of a participating district employed to provide special education services will be afforded rights to employment by the withdrawing district according to subdivision 9.

Sec. 22. Minnesota Statutes 1992, section 123.34, subdivision 9, is amended to read:

Subd. 9. [SUPERINTENDENT.] All districts maintaining a classified secondary school shall employ a superintendent who shall be an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent shall be vested in the school board in all cases. An individual employed by a school board as a superintendent shall have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A school board, at its discretion, may or may not renew an employment contract. A school board shall not, by action or inaction, extend the duration of an existing employment contract. Beginning 365 days prior to the expiration date of an existing employment contract, a school board may negotiate and enter into a subsequent employment contract to take effect upon the expiration of the existing contract. A subsequent contract shall be contingent upon the employee completing the terms of an existing contract. If a contract between a school board and a superintendent is terminated prior to the date specified in the contract, the school board may not enter into another superintendent contract with that same individual that has a term that extends beyond the date specified in the terminated contract. A school board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 125.12, subdivision 6 or 8. A superintendent shall not rely upon an employment contract with a school board to assert any other continuing contract rights in the position of superintendent under section 125.12. Notwithstanding the provisions of sections 122.532, 122.541, 125.12, subdivision 6a or 6b, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more school districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) superintend school grading practices and examinations for promotions;

(4) make reports required by the commissioner of education; and

(5) perform other duties prescribed by the board.

Sec. 23. Minnesota Statutes 1992, section 123.3514, subdivision 5, is amended to read:

Subd. 5. [CREDITS.] A pupil may enroll in a course under this section for either secondary credit or post-secondary credit. At the time a pupil enrolls in a course, the pupil shall designate whether the course is for secondary or post-secondary credit. A pupil taking several courses may designate some for secondary credit and some for post-secondary credit. A pupil must not audit a course under this section.

A school district shall grant academic credit to a pupil enrolled in a course for secondary credit if the pupil successfully completes the course. ~~Nine Seven~~ quarter or ~~six~~ four semester college credits equal at least one full year of high school credit. Fewer college credits may be prorated. A school district shall also grant academic credit to a pupil enrolled in a course for post-secondary credit if secondary credit is requested by a pupil. If no comparable course is offered by the district, the district shall, as soon as possible, notify the state board of education, which shall determine the number of credits that shall be granted to a pupil who successfully completes a course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the school board's decision to the state board of education. The state board's decision regarding the number of credits shall be final.

The secondary credits granted to a pupil shall be counted toward the graduation requirements and subject area requirements of the school district. Evidence of successful completion of each course and secondary credits granted shall be included in the pupil's secondary school record. A pupil must provide the school with a copy of the pupil's grade in each course taken for secondary credit under this section. Upon the request of a pupil, the pupil's secondary school record shall also include evidence of successful completion and credits granted for a course taken for post-secondary credit. In either case, the record shall indicate that the credits were earned at a post-secondary institution.

If a pupil enrolls in a post-secondary institution after leaving secondary school, the post-secondary institution shall award post-secondary credit for any course successfully completed for secondary credit at that institution. Other post-secondary institutions may award, after a pupil leaves secondary school, post-secondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

Sec. 24. Minnesota Statutes 1992, section 123.3514, subdivision 6, is amended to read:

Subd. 6. [FINANCIAL ARRANGEMENTS.] For a pupil enrolled in a course under this section, the department of education shall make payments according to this subdivision for courses that were taken for secondary credit.

The department shall not make payments to a school district or post-secondary institution for a course taken for post-secondary credit only.

A ~~public post-secondary system or private post-secondary~~ institution shall receive the following:

- (1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or
- (2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance, multiplied by 1.3, and divided by 30.

The department of education shall pay to each ~~public post-secondary system and to each private~~ institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the ~~post-secondary system or institution~~ at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department of education notifies a ~~post-secondary system or institution~~ that an overpayment has been made, the ~~system or institution~~ shall promptly remit the amount due.

~~A school district shall receive:~~

- ~~(1) for a pupil who is not enrolled in classes at a secondary school, 12 percent of the formula allowance, according to section 124A.22, subdivision 2, times 1.3; or~~
- ~~(2) for a pupil who attends a secondary school part time, the formula allowance, according to section 124A.22, subdivision 2, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.~~

Sec. 25. Minnesota Statutes 1992, section 123.3514, subdivision 6b, is amended to read:

Subd. 6b. [FINANCIAL ARRANGEMENTS, PUPILS AGE 21 OR OVER.] For a pupil enrolled in a course according to this section, the department of education shall make payments according to this subdivision for courses taken to fulfill high school graduation requirements by pupils eligible for adult high school graduation aid.

The department must not make payments to a school district or post-secondary institution for a course taken for post-secondary credit only.

A ~~public post-secondary system or private~~ post-secondary institution shall receive the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance multiplied by 1.3, and divided by 30.

The department of education shall pay to each ~~public post-secondary system and to each private~~ institution 100 percent of the amount in clause (1) or (2) within 30 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the post-secondary ~~system or~~ institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department of education notifies a post-secondary ~~system or~~ institution that an overpayment has been made, the ~~system or~~ institution shall promptly remit the amount due.

A school district shall receive:

(1) for a pupil who is not enrolled in classes at a secondary program, 12 percent of the general education formula allowance times .65, times 1.3; or

(2) for a pupil who attends classes at a secondary program part time, the general education formula allowance times .65, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit to 1020 hours.

Sec. 26. Minnesota Statutes 1992, section 123.3514, subdivision 6c, is amended to read:

Subd. 6c. [FINANCIAL ARRANGEMENTS FOR COURSES PROVIDED ACCORDING TO AGREEMENTS.] (a) The agreement between a school board and the governing body of a public post-secondary system or private post-secondary institution shall set forth the payment amounts and arrangements, if any, from the school board to the post-secondary institution. No payments shall be made by the department of education according to subdivision 6 or 6b. For the purpose of computing state aids for a school district, a pupil enrolled according to subdivision 4e shall be counted in the average daily membership of the school district as though the pupil were enrolled in a secondary course that is not offered in connection with an agreement. Nothing in this subdivision shall be construed to prohibit a public post-secondary system or private post-secondary institution from receiving additional state funding that may be available under any other law.

(b) If a course is provided under subdivision 4e, offered at a secondary school, and taught by a secondary teacher, the post-secondary system or institution must not require a payment from the school board that exceeds the cost to the post-secondary institution that is directly attributable to providing that course.

Sec. 27. Minnesota Statutes 1992, section 123.935, subdivision 7, is amended to read:

Subd. 7. [NONPUBLIC EDUCATION COUNCIL.] The commissioner shall appoint a 15-member council on nonpublic education. The 15 members shall represent various areas of the state, represent various methods of providing nonpublic education, and shall be knowledgeable about nonpublic education. The compensation, removal of members, filling of vacancies, and terms are governed by section 15.0575. The council ~~expires as provided in section 15.059, subdivision 5 shall not expire~~. The council shall advise the commissioner and the state board on nonpublic school matters under this section. The council may recognize educational accrediting agencies, for the sole purpose of sections 120.101, 120.102, and 120.103. When requested by the commissioner or the state board, the council may submit its advice about other nonpublic school matters.

Sec. 28. Minnesota Statutes 1992, section 124.17, subdivision 1, is amended to read:

Subdivision 1. [PUPIL UNIT.] Pupil units for each resident pupil in average daily membership shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled for the entire fiscal year in a program approved by the commissioner and has an individual education plan that requires up to 437 hours of assessment and education services in the fiscal year is counted as one-half of a pupil unit. If the plan requires more than 437 hours of assessment and education services, the pupil is counted as the ratio of the number of hours of assessment and education service to 875, but not more than one.

(b) A prekindergarten pupil with a disability who is enrolled for less than the entire fiscal year in a program approved by the commissioner is counted as the greater of:

(1) one-half times the ratio of the number of instructional days from the date the pupil is enrolled to the date the pupil withdraws to the number of instructional days in the school year; or

(2) the ratio of the number of hours of assessment and education service required in the fiscal year by the pupil's individual education program plan to 875, but not more than one.

(c) A prekindergarten pupil who is assessed but determined not to be handicapped is counted as the ratio of the number of hours of assessment service to 875.

(d) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individual education program plan to 875, but not more than one.

(e) A kindergarten pupil who is not included in paragraph (d) is counted as one-half of a pupil unit.

(f) A pupil who is in any of grades 1 to 6 is counted as one pupil unit.

(g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

(h) A pupil who is in the post-secondary enrollment options program is counted as 1.3 pupil units.

Sec. 29. Minnesota Statutes 1992, section 124.17, is amended by adding a subdivision to read:

Subd. 2f. [PSEO PUPILS.] The average daily membership for a student participating in the post-secondary enrollment options program equals the lesser of

(1) 1.00, or

(2) the greater of

(i) .12, or

(ii) the ratio of the number of hours the student is enrolled in the secondary school to the product of the number of days required in section 120.101, subdivision 5b, times the minimum length of day required in Minnesota Rules, part 3500.1500, subpart 1.

Sec. 30. Minnesota Statutes 1992, section 124.19, subdivision 1, is amended to read:

Subdivision 1. [INSTRUCTIONAL TIME.] Every district shall maintain school in session or provide instruction in other districts for at least ~~170~~ 175 days through the 1994-1995 school year and the number of days required in ~~section 120.101, subdivision 5b~~ 1b thereafter, not including summer school, or the equivalent in a district operating a flexible school year program. A district that holds school for the required minimum number of days and is otherwise qualified is entitled to state aid as provided by law. If school is not held for the required minimum number of days, state aid shall be reduced by the ratio that the difference between the required number of days and the number of days school is held bears to the required number of days, multiplied by 60 percent of the basic revenue, as defined in section 124A.22, subdivision 2, of the district for that year. However, districts maintaining school for fewer than the required minimum number of days do not lose state aid (1) if the circumstances causing loss of school

days below the required minimum number of days are beyond the control of the board, (2) if proper evidence is submitted, and (3) if a good faith attempt is made to make up time lost due to these circumstances. The loss of school days resulting from a lawful employee strike shall not be considered a circumstance beyond the control of the board. Days devoted to meetings authorized or called by the commissioner may not be included as part of the required minimum number of days of school. For grades 1 to 12, days devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum number of days must not exceed five days through the 1994-1995 school year and for subsequent school years the difference between the number of days required in subdivision 1b and the number of instructional days required in subdivision 5b. For kindergarten, days devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum number of days must not exceed twice the number of days for grades 1 to 12.

Sec. 31. Minnesota Statutes 1992, section 124.248, subdivision 4, is amended to read:

Subd. 4. [OTHER AID, GRANTS, REVENUE.] (a) An outcome-based school is eligible to receive other aids, grants, and revenue according to chapters 120 to 129, as though it were a school district. However, it may not receive aid, a grant, or revenue if a levy is required to obtain the money, except as otherwise provided in this section. Federal aid received by the state must be paid to the school, if it qualifies for the aid as though it were a school district.

(b) Any revenue received from any source, other than revenue that is specifically allowed for operational, maintenance, capital facilities revenue under paragraph (c), and capital expenditure equipment costs under this section, may be used only for the planning and operational start-up costs of an outcome-based school. Any unexpended revenue from any source under this paragraph must be returned to that revenue source or conveyed to the sponsoring school district, at the discretion of the revenue source.

(c) An outcome-based school may receive money from any source for capital facilities needs. Any unexpended capital facilities revenue must be reserved and shall be expended only for future capital facilities purposes.

Sec. 32. Minnesota Statutes 1992, section 124.48, subdivision 3, is amended to read:

Subd. 3. [INDIAN SCHOLARSHIP COMMITTEE.] The Minnesota Indian scholarship committee is established. Members shall be appointed by the state board with the assistance of the Indian affairs council as provided in section 3.922, subdivision 6. Members shall be reimbursed for expenses as provided in section 15.059, subdivision 6. The state board shall determine the membership terms and duration of the committee, which expires no later than ~~the date provided in section 15.059, subdivision 5~~ June 30, 1997. The committee shall provide advice to the state board in awarding scholarships to eligible American Indian students and in administering the state board's duties regarding awarding of American Indian post-secondary preparation grants to school districts.

Sec. 33. Minnesota Statutes 1992, section 125.1885, subdivision 3, is amended to read:

Subd. 3. [PROGRAM APPROVAL.] ~~(a) The state board of education shall approve alternative preparation programs based on criteria adopted by the board, after receiving recommendations from an advisory task force appointed by the board.~~

~~(b) An alternative preparation program at a school district, group of schools, or an education district must be affiliated with a post-secondary institution that has a graduate program in educational administration for public school administrators.~~

Sec. 34. Minnesota Statutes 1992, section 126.665, is amended to read:

126.665 [STATE CURRICULUM ADVISORY COMMITTEE.]

The commissioner shall appoint a state curriculum advisory committee of 11 members to advise the state board and the department on the PER process. Nine members shall be from each of the educational cooperative service units and two members shall be at-large. The committee shall include representatives from the state board of education, parents, teachers, administrators, and school board members. Each member shall be a present or past member of a district curriculum advisory committee. The state committee shall provide information and recommendations about at least the following:

(1) department procedures for reviewing and approving reports and disseminating information;

- (2) exemplary PER processes;
- (3) recommendations for improving the PER process and reports; and
- (4) developing a continuous process for identifying and attaining essential learner outcomes.

The committee expires ~~as provided in section 15.059, subdivision 5~~ on June 30, 1996.

Sec. 35. [126.80] [SECONDARY CREDIT FOR EIGHTH GRADE STUDENTS.]

A student in eighth grade who satisfactorily completes at least 120 hours of instruction in a high school course is eligible to receive secondary course credit and the credit shall count toward the student's graduation requirements. This section expires August 1, 1996.

Sec. 36. Minnesota Statutes 1992, section 127.15, is amended to read:

127.15 [DEALING IN SCHOOL SUPPLIES.]

Except as provided for in sections 471.87 and 471.88, no teacher in the public schools, nor any state, county, town, city, or district school officer, including any superintendent of schools, or any member of any school board, nor any person connected with the public school system in any capacity, shall be interested directly or indirectly in the sale, proceeds, or profits of any book, apparatus, or furniture used, or to be used, in any school with which the person is connected in any official capacity. Any person violating any of the provisions of this section shall forfeit not less than \$50, nor more than \$200 for each such offense. This section shall not apply to a person who may have an interest in the sale of any book of which that person is the author. Nothing in this section shall prohibit the spouse of an employee or officer covered by this section from contracting with the school district for the sale or lease of books, apparatus, furniture, or other supplies to be used in a school with which the employee or officer is connected in any official capacity, as long as the employee's or officer's position does not involve approving contracts for supplies and the school board unanimously approves the transaction.

Sec. 37. Minnesota Statutes 1992, section 127.455, is amended to read:

127.455 [MODEL POLICY.]

The commissioner of education shall maintain and make available to school boards a model sexual, religious, and racial harassment and violence policy. The model policy shall address the requirements of section 127.46.

Each school board shall submit to the commissioner of education a copy of the sexual, religious, and racial harassment and sexual, religious, and racial violence policy the board has adopted.

Sec. 38. Minnesota Statutes 1992, section 127.46, is amended to read:

127.46 [SEXUAL, RELIGIOUS, AND RACIAL HARASSMENT AND VIOLENCE POLICY.]

Each school board shall adopt a written sexual, religious, and racial harassment and sexual, religious, and racial violence policy that conforms with sections 363.01 to 363.15. The policy shall apply to pupils, teachers, administrators, and other school personnel, include reporting procedures, and set forth disciplinary actions that will be taken for violation of the policy. Disciplinary actions must conform with collective bargaining agreements and sections 127.27 to 127.39. The policy must be conspicuously posted throughout each school building and included in each school's student handbook on school policies. Each school must develop a process for discussing the school's sexual, religious, and racial harassment and violence policy with students and school employees.

Sec. 39. Minnesota Statutes 1992, section 128A.03, subdivision 2, is amended to read:

Subd. 2. [TERMS, PAY, REMOVAL, EXPIRATION.] The terms, pay, and provisions for removal of members, ~~and for the expiration of the council~~ are in section 15.059, subdivisions 2, 3, and 4, and 5. The council shall expire on June 30, 1997.

Sec. 40. Minnesota Statutes 1992, section 128C.02, is amended by adding a subdivision to read:

Subd. 7. [WOMEN REFEREES.] The league shall adopt league rules and policy requiring, to the extent possible, the equal employment of women as referees for high school activities and sports contests, from game level to tournament level.

Sec. 41. Minnesota Statutes 1992, section 134.31, subdivision 5, is amended to read:

Subd. 5. [ADVISORY COMMITTEE.] The commissioner shall appoint an advisory committee of five members to advise the staff of the Minnesota library for the blind and physically handicapped on long-range plans and library services. Members shall be people who use the library. Section 15.059 governs this committee except that the committee shall expire on June 30, 1997.

Sec. 42. Minnesota Statutes 1992, section 144.4165, is amended to read:

144.4165 [TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.]

No person shall at any time smoke or use any other, chew, or otherwise ingest tobacco or a tobacco product in a public school, as defined in section 120.05, subdivision 2. This prohibition extends to all facilities, whether owned, rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or controls. This prohibition does not apply to a technical college. Nothing in this section shall prohibit the lighting of tobacco by an adult as a part of a traditional Indian spiritual or cultural ceremony. For purposes of this section, an Indian is a person who is a member of an Indian tribe as defined in section 257.351, subdivision 9.

Sec. 43. Minnesota Statutes 1992, section 471.88, is amended by adding a subdivision to read:

Subd. 16. [SCHOOL DISTRICT.] Notwithstanding subdivision 5, a school board member may be newly employed or may continue to be employed by a school district as an employee only if there is a reasonable expectation at the beginning of the fiscal year or at the time the contract is entered into or extended that the amount to be earned by that officer under that contract or employment relationship will not exceed \$5,000 in that fiscal year. Notwithstanding section 125.12 or 125.17 or other law, if the officer does not receive unanimous approval to continue in employment at a meeting at which all board members are present, that employment is immediately terminated and that officer has no further rights to employment while serving as a school board member in the district.

Sec. 44. Minnesota Statutes 1992, section 609.685, subdivision 3, is amended to read:

Subd. 3. [PETTY MISDEMEANOR.] Whoever uses smokes, chews, or otherwise ingests, purchases, or attempts to purchase tobacco or tobacco related devices and is under the age of 18 years is guilty of a petty misdemeanor. This subdivision does not apply to a person under the age of 18 years who purchases or attempts to purchase tobacco or tobacco related devices while under the direct supervision of a responsible adult for training, education, research, or enforcement purposes.

Sec. 45. Minnesota Statutes 1992, section 609.685, is amended by adding a subdivision to read:

Subd. 5. [EXCEPTION.] Notwithstanding subdivision 2, an Indian may furnish tobacco to an Indian under the age of 18 years if the tobacco is furnished as part of a traditional Indian spiritual or cultural ceremony. For purposes of this subdivision, an Indian is a person who is a member of an Indian tribe as defined in section 257.351, subdivision 9.

Sec. 46. [DESEGREGATION RULE.]

Subdivision 1. [MEETINGS.] The state board of education shall convene several roundtable discussion meetings to address issues regarding the board's proposed changes to the desegregation and inclusive education rules. Participants in these discussion meetings shall include, but not be limited to, representatives of the three cities of the first class, NAACP, Urban League, Urban Coalition, American Indian Affairs Council, Asian-Pacific Council, Spanish-Speaking Affairs Council, Centro Cultural Chicano, Chicanos y Latinos Unidos En Servicio, Division of Indian Works, Lao Family Community of Minnesota, Women's Association of Hmong and Lao, Hmong American Partnership, Council on Black Minnesotans, state board's desegregation task forces, parents, students, and representatives of suburban districts.

Subd. 2. [DISCUSSION ISSUES.] (a) The purpose of these discussions shall be to recommend changes in the desegregation rule to better fulfill the promise of equal educational opportunity articulated in the landmark United States Supreme Court case of Brown v. Board of Education.

(b) The issues to be discussed at these meetings shall at minimum include:

- (1) standards for approving or disapproving desegregation plans;
- (2) implementation and compliance issues;
- (3) thresholds for requiring desegregation plans;
- (4) legally permissible alternative approaches to meeting the needs of students of color;
- (5) methods for preventing resegregation in urban districts, including metropolitanwide desegregation approaches;
- (6) fiscal implications of proposed changes;
- (7) housing and transportation issues relating to segregation;
- (8) a review of current demographics and enrollment trends; and
- (9) how all students may participate in open enrollment under a desegregation plan.

Subd. 3. [RESOURCE PERSONS; STAFF.] The state board shall utilize nationally known legal and research experts to the extent possible to assist in the discussions. The department of education shall provide staff for these meetings.

Subd. 4. [REPORT.] The state board of education shall report to the legislature on the results of these discussions by January 1, 1994, prior to commencing the formal rulemaking process.

#### Sec. 47. [1992 PSEO PART-TIME SECONDARY PUPILS.]

For fiscal year 1992, for a pupil who attended a post-secondary institution under Minnesota Statutes, section 123.3514, and attended a secondary school part time, a district shall receive revenue on behalf of the pupil under Minnesota Statutes, sections 124.12, subdivision 1, and 124.17, subdivision 2f, plus 12 percent of the formula allowance according to Minnesota Statutes 1992, section 124A.22, subdivision 2, times 1.3.

#### Sec. 48. [EDUCATION APPROPRIATION ACCOUNTS.]

Notwithstanding any law to the contrary, the education aid appropriation accounts relating to fiscal year 1992 shall remain open on the statewide accounting system, and the commissioner of finance shall transfer amounts among accounts and make transactions as requested by the commissioner of education as necessary to accomplish the retroactive provisions of (sections 123.3514, subd. 6; and 124.17, subs. 1 and 2), and the provisions of section 124.14, subdivision 7, for fiscal year 1992.

#### Sec. 49. [CHANGE-ORIENTED SCHOOLS.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] (a) A five-year pilot project is established to permit up to three project participants selected by the commissioner of education to develop and implement substantive changes in a school's educational program and operational structure. A project may be extended one time for up to an additional five years at the commissioner's discretion.

(b) The purpose of the pilot project is to identify innovative educational strategies that effectively improve public education by:

- (1) increasing students' academic and vocational abilities and educational opportunities through relevant, readily measurable, and clearly defined interdisciplinary subject matter and skills-oriented outcomes and performance standards;
- (2) promoting innovative approaches to teaching through meaningful, site-based decision making; and

(3) developing a service-oriented management and operational structure that allows school staff at the school site to identify students' educational needs and effectively allocate resources to meet those needs.

Subd. 2. [ELIGIBILITY; APPLICATIONS.] The commissioner shall make application forms available to schools interested in developing and implementing the substantive changes described in this section. A school may apply to participate in the project after receiving approval to apply from the school board of the school district in which the school is located. The commissioner may approve a maximum of three applications before July 1, 1994. To the extent possible, the approved applications must reflect innovative educational strategies that improve public education and are geographically distributed throughout the state.

Subd. 3. [CRITERIA FOR SELECTION.] At a minimum, applicants must express commitment to:

(1) creating a site-based management team, composed of the school principal, teachers, other school employees, parents of students enrolled in the school, and other determined by the team to be appropriate team members, that are responsible for managing the school's educational program and operational structure;

(2) developing a relevant, appropriately rigorous, interdisciplinary curriculum;

(3) periodically assessing the knowledge and skills of students, and the efficacy of teachers and administrators according to clearly defined substantive outcomes and measurable performance standards;

(4) providing in-service training to implement innovative educational strategies;

(5) using available public and private educational and financial resources at the local, state, and national levels; and

(6) sharing educational findings, materials, and techniques with other school districts.

Subd. 4. [EXEMPTIONS; REQUIREMENTS.] (a) Except as otherwise provided in this section, a school participating in the pilot project is exempt from all state statutes and rules applicable to a school board or school district, although it may elect to comply with one or more state statutes and rules. The exemptions do not apply to the school board of the school district in which the participating school is located.

(b) Applicants selected to participate in the project must:

(1) meet the health and safety requirements applicable to other school districts;

(2) ensure that all facets of the program are nonsectarian;

(3) provide a comprehensive education program for all enrolled students;

(4) comply with Minnesota Statutes, section 126.21, and chapter 363;

(5) comply with the pupil fair dismissal law, Minnesota Statutes, sections 127.26 to 127.39, and the Minnesota public school fee law, Minnesota Statutes, sections 120.71 to 120.76;

(6) be subject to the same audit requirements as other school districts;

(7) function as other school districts for the purposes of tort liability under Minnesota Statutes, chapter 466;

(8) design and implement measurable education program outcomes at least equivalent to the entrance requirements of the University of Minnesota if the participating school is a high school;

(9) comply with Minnesota Statutes, sections 120.03 and 120.17, and rules governing the education of disabled children;

(10) provide instruction each year for at least the minimum number of days required by Minnesota Statutes, section 120.101, subdivisions 5 and 5b, or according to Minnesota Statutes, sections 120.59 to 120.67 or 121.585;

(11) provide transportation to students enrolled at a school located within the district according to Minnesota Statutes, sections 120.062, subdivision 9, and 123.39, subdivision 6;

- (12) permit teachers employed by the district to teach at another site within the district;
- (13) function as other school districts for purposes of suing and being sued;
- (14) comply with election laws applicable to school district elections under Minnesota Statutes, section 123.11 and chapter 205A;
- (15) comply with all teacher licensure requirements in statute and rule; and
- (16) comply with all employment laws applicable to school district employees.

Subd. 5. [REPORTS.] Pilot project participants must provide a clear and concise report at least annually by October 1 to the commissioner discussing:

- (1) the state statutes and rules with which the project participant is not complying, as permitted in subdivision 4;
- (2) how not complying with state statutes and rules improves learning and educational effectiveness;
- (3) the financial impact of not complying with state statutes and rules;
- (4) the educational progress the project participant made during the previous school year;
- (5) the education goals of the project participant for the current school year; and
- (6) any other information the commissioner requests.

Sec. 50. [STUDY ON TRAINING OPPORTUNITIES FOR WOMEN REFEREES.]

The Minnesota state high school league shall submit a written report to the education committees of the legislature by February 15, 1994, analyzing the extent of the opportunities available for women to train and serve as referees at league-sponsored events.

Sec. 51. [INDEPENDENT SCHOOL DISTRICT NO. 206, ALEXANDRIA; ELECTIONS.]

Notwithstanding Laws 1987, chapter 96, relating to the beginning of the term of office for newly elected board members, the terms of office for newly elected board members of independent school district No. 206, Alexandria, begin and end as provided for in Minnesota Statutes, section 205A.04, subdivision 1.

Sec. 52. [EXEMPTIONS; EIGHT-PERIOD SCHEDULE.]

(a) Notwithstanding Minnesota Statutes, sections 120.101, subdivision 5; 120.66; 121.585; 124.19, subdivisions 1, 4, 6, and 7; 124C.46, subdivision 3; 126.12, subdivision 1; or any other law to the contrary, independent school district No. 279, Osseo, may adopt for the 1993-1994, 1994-1995, and 1995-1996 school years an alternating eight-period schedule for secondary school students composed of four 85-minute periods per day held on alternating school days. The purpose of the alternating eight-period schedule is to enable the school district to temporarily meet its increasing needs for additional space due to enrollment increases at the secondary level. The new schedule must not change district curricular offerings, transportation schedules, the length of employees' workday, or extracurricular activities. The district must offer registered secondary students the opportunity to enroll in a minimum of five classes in an eight-period schedule.

(b) The district may adopt the eight-period schedule without loss of state aid if the district meets the requirements of paragraph (a). The commissioner of education, in consultation with the district, shall determine the minimum number of instructional hours so that the district is eligible for the full amount of general education revenue.

(c) The district may adopt the eight-period schedule only upon school board resolution following a public hearing. Notice of the hearing must be published in the official newspaper at least one week in advance.

(d) Any student affected by the eight-period schedule is exempt from the enrollment options program deadline in Minnesota Statutes, section 120.062.

(e) The district, with the assistance of the department of education, shall conduct a study of the impact of the eight-period schedule on student performance. The district shall include information on cohorts before adopting an eight-period schedule and compare them to students enrolled in a program using an eight-period schedule. The district shall conduct a survey of students and parents on the effectiveness of the eight-period schedule. The department shall evaluate the financial impact of the eight-period schedule. The district shall make a preliminary report on the effectiveness of the eight-period schedule to the legislature by January 15, 1995, and a final report by January 15, 1997.

Sec. 53. [SPECIAL EFFECTIVE DATE AND APPLICABILITY TO THE TODD - OTTER TAIL - WADENA SPECIAL EDUCATION COOPERATIVE.]

Sections 20 and 21 apply to the Todd - Otter Tail - Wadena special education cooperative and its participating school districts: independent school district No. 543, Deer Creek; independent school district No. 545, Henning; independent school district No. 549, Perham-Dent; independent school district No. 553, New York Mills; independent school district No. 786, Bertha-Hewitt; independent school district No. 818, Verndale; independent school district No. 819, Wadena; independent school district No. 820, Sebeka; and independent school district No. 821, Menahga, and are effective the day following their final enactment. If the board of any participating school district has given notice of intent to withdraw from special education services provided by the cooperative before final enactment, the deadline specified in Minnesota Statutes, section 122.895, subdivision 3, is six days following the final enactment and the deadline specified in Minnesota Statutes, section 122.895, subdivision 6, paragraph (b), for notice of a teacher's exercise of rights under that subdivision is 16 days following final enactment.

Sec. 54. [REPEALER.]

Laws 1991, chapter 265, article 4, section 29, is repealed the day after final enactment of this article.

Minnesota Statutes 1992, sections 120.0621, subdivision 5, and 121.87, are repealed.

Sec. 55. [EFFECTIVE DATES.]

Section 16 is effective when the term of the office of governor ends on the first Monday in January 1995.

Sections 24, 28, and 29 are effective retroactive to July 1, 1991, and apply for fiscal year 1992 and thereafter.

Section 49 is effective the day after its final enactment.

Section 51 is effective the day after the clerk of the school board of independent school district No. 206, Alexandria, complies with Minnesota Statutes, section 645.021, subdivision 3. Section 52 is effective the day following final enactment and remains in effect only through the 1995-1996 school year. Sections 36 and 43 are effective June 30, 1993.

Section 31 applies to outcome-based schools approved after the effective date of section 31.

## ARTICLE 10

### LIBRARIES

Section 1. [LIBRARY APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the department of education for the fiscal years designated.

Subd. 2. [BASIC SUPPORT GRANTS.] For basic support grants according to Minnesota Statutes, sections 134.32 to 134.35:

<u>\$7,819,000</u>	.....	<u>1994</u>
<u>\$7,819,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$1,172,000 for 1993 and \$6,647,000 for 1994.

The 1995 appropriation includes \$1,172,000 for 1994 and \$6,647,000 for 1995.

Subd. 3. [MULTICOUNTY, MULTITYPE LIBRARY SYSTEMS.] For grants according to Minnesota Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

\$527,000	.....	1994
<u>\$527,000</u>	.....	<u>1995</u>

The 1994 appropriation includes \$79,000 for 1993 and \$448,000 for 1994.

The 1995 appropriation includes \$79,000 for 1994 and \$448,000 for 1995.

Subd. 4. [STATE AGENCY LIBRARIES.] For maintaining and upgrading the online computer-based library catalog system in state agency libraries:

\$15,000	.....	1994
<u>\$15,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel and is available in the second year. These amounts are added to amounts included in the appropriation for the department of education budget that are for the same purpose.

## ARTICLE 11

### STATE AGENCIES

Section 1. [121.163] [FEDERAL AID TO EDUCATION.]

Subdivision 1. [ACCEPTANCE.] The commissioner may accept and administer federal funds when such funds become available that further public education and are consistent with state policy and the mission of the department. Acceptance of the money is subject to department of finance policy and procedure regarding federal funds.

Subd. 2. [STATE PLANS.] If the granting federal agency requires a state plan addressing policy for expenditure, the state board shall adopt a state plan in conformity with state and federal regulations and guidelines prior to commissioner acceptance.

Subd. 3. [DEPOSITORY.] The state treasurer is the custodian of all money received from the United States on account of the acceptance and shall disburse the money on requisitioning of the commissioner through the state payment system for purposes consistent with the respective acts of congress and federal grant.

Sec. 2. Minnesota Statutes 1992, section 124C.08, subdivision 1, is amended to read:

Subdivision 1. [FUNDING.] Each site shall receive \$1,250 each year for two years. If fewer than 30 sites are selected, each site shall receive an additional proportionate share of money appropriated and not used. Before receiving money for the second year, a long-range plan for arts education must be submitted to the department Minnesota center for arts education.

Sec. 3. Minnesota Statutes 1992, section 124C.08, subdivision 2, is amended to read:

Subd. 2. [CRITERIA.] The department of education center, in consultation with the comprehensive arts planning program state steering committee, shall establish criteria for site selection. Criteria shall include at least the following:

- (1) a willingness by the district or group of districts to designate a program chair for comprehensive arts planning with sufficient authority to implement the program;
- (2) a willingness by the district or group of districts to create a committee comprised of school district and community people whose function is to promote comprehensive arts education in the district;
- (3) commitment on the part of committee members to participate in training offered by the department of education;
- (4) a commitment of the committee to conduct a needs assessment of arts education;

- (5) commitment by the committee to evaluating its involvement in the program;
- (6) a willingness by the district to adopt a long-range plan for arts education in the district;

(7) no previous involvement of the district in the comprehensive arts planning program, unless that district has joined a new group of districts; and

(8) location of the district or group of districts to assure representation of urban, suburban, and rural districts and distribution of sites throughout the state.

Sec. 4. Minnesota Statutes 1992, section 124C.09, is amended to read:

124C.09 [DEPARTMENT RESPONSIBILITY.]

The ~~department of education~~ Minnesota center for arts education, in cooperation with the Minnesota alliance for arts in education, and the Minnesota state arts board, ~~and the Minnesota center for arts education~~ shall provide materials, training, and assistance to the arts education committees in the school districts. The ~~department center~~ center may contract with the Minnesota alliance for arts in education for its involvement in providing services, including staff assistance, to the program.

Sec. 5. [128A.11] [STUDENT ACTIVITIES ACCOUNT.]

Subdivision 1. [STUDENT ACTIVITIES; RECEIPTS; APPROPRIATION.] All receipts of any kind generated to operate student activities, including student fees, donations and contributions, and gate receipts must be deposited in the state treasury. The receipts are appropriated annually to the residential academies for student activities purposes. They are not subject to budgetary control by the commissioner of finance.

Subd. 2. [TO STUDENT ACTIVITIES ACCOUNT.] The money appropriated in subdivision 1 to the residential academies for student activities must be credited to a Faribault academies' student activities account and may be spent only for Faribault academies' student activities purposes.

Subd. 3. [CARRYOVER.] An unexpended balance in the Faribault academies' student activities account may be carried over from the first fiscal year of the biennium into the second fiscal year of the biennium and from one biennium to the next. The amount carried over must not be taken into account in determining state appropriations and must not be deducted from a later appropriation.

Subd. 4. [SPECIFICALLY INCLUDED AMONG RECEIPTS.] Any money generated by a Faribault academies' student activity that involves:

- (1) state employees who are receiving compensation for their involvement with the activity;
- (2) the use of state facilities; or
- (3) money raised for student activities in the name of the residential academies

is specifically included among the kinds of receipts that are described in subdivision 1.

Sec. 6. Minnesota Statutes 1992, section 171.29, subdivision 2, is amended to read:

Subd. 2. [FEES, ALLOCATION.] (a) A person whose drivers license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before the person's drivers license is reinstated.

(b) A person whose drivers license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a \$250 fee before the person's drivers license is reinstated to be credited as follows:

- (1) 20 percent shall be credited to the trunk highway fund;
- (2) 55 percent shall be credited to the general fund;

(3) eight percent shall be credited to a separate account to be known as the bureau of criminal apprehension account. Money in this account may be appropriated to the commissioner of public safety and shall be divided as follows: eight percent for laboratory costs; two percent for carrying out the provisions of section 299C.065;

(4) 12 percent shall be credited to a separate account to be known as the alcohol-impaired driver education account. Money in the account may be appropriated to the commissioner of education for grants to develop alcohol impaired driver education and chemical abuse prevention programs in elementary and secondary schools. The state board of education shall establish guidelines for the distribution of the grants. At least \$70,000 must be awarded in grants to local school districts; and

(5) five percent shall be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. \$100,000 is annually appropriated from the account to the commissioner of human services for traumatic brain injury case management services. The remaining money in the account is annually appropriated to the commissioner of health to establish and maintain the traumatic brain injury and spinal cord injury registry created in section 144.662 and to reimburse the commissioner of jobs and training for the reasonable cost of services provided under section 268A.03, clause (o).

Sec. 7. [DEPARTMENT OF EDUCATION APPROPRIATIONS.]

The sums indicated in this section are appropriated from the general fund, unless otherwise indicated, to the department of education for the fiscal years designated.

<u>\$14,564,000</u>	.....	<u>1994</u>
<u>\$14,587,000</u>	.....	<u>1995</u>

Any balance in the first year does not cancel but is available in the second year.

\$21,000 each year is from the trunk highway fund.

\$104,000 each year is for the academic excellence foundation.

\$219,000 each year is for the state board of education.

\$200,000 each year is for contracting with the state fire marshal to provide the services required according to Minnesota Statutes, section 121.1502.

\$120,000 each year is for facilities planning, coordination of facility needs between school districts, and for review and comment on school construction projects.

\$45,000 each year must be used to assist districts with the assurance of mastery program.

The expenditures of federal grants and aids as shown in the biennial budget document are approved and appropriated and shall be spent as indicated.

The board of teaching budget is not exempt from internal reallocations and reductions required to balance the budget of the combined agencies.

The commissioner shall maintain no more than five total complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, and executive assistant.

The department of education may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions. Actual employment levels are limited by the availability of state funds appropriated for salaries, benefits, and agency operations or funds available from other sources for such purposes.

In the next biennial budget, the department of education must assess its progress in meeting its established performance measures and inform the legislature on the content of that assessment. The information must include an assessment of its progress by consumers and employees.

Sec. 8. [FARIBAULT ACADEMIES APPROPRIATION.]

The sums indicated in this section are appropriated from the general fund to the department of education for the Faribault Academies:

<u>\$7,784,000</u>	<u>.....</u>	<u>1994</u>
<u>\$8,053,000</u>	<u>.....</u>	<u>1995</u>

Any balance in the first year does not cancel and is available for the second year.

The state board of education may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions of the Faribault academies. Actual employment levels are limited by the availability of state funds appropriated for salaries, benefits and agency operations or funds available from other sources for such purposes.

In the next biennial budget, the state board of education must assess its progress in meeting its established performance measures for the Faribault academies and inform the legislature on the content of that assessment. The information must include an assessment of its progress by consumers and employees.

Sec. 9. [MINNESOTA CENTER FOR ARTS EDUCATION APPROPRIATIONS.]

The sums indicated in this section are appropriated from the general fund to the Minnesota center for arts education for the fiscal years indicated:

<u>\$4,853,000</u>	<u>.....</u>	<u>1994</u>
<u>\$4,853,000</u>	<u>.....</u>	<u>1995</u>

Any balance in the first year does not cancel but is available in the second year.

The center must provide assistance to the department of education for learner outcome development and assessment in the arts. If a reduction in programs is required under this section, no more than 40 percent of the reduction shall occur in resource center programs.

\$38,000 each year is for grants according to section 124C.08. The center must provide technical assistance as necessary.

The Minnesota center for arts education may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions. Actual employment levels are limited by the availability of state funds appropriated for salaries, benefits and agency operations or funds available from other sources for such purposes.

In the next biennial budget, the Minnesota center for arts education must assess its progress in meeting its established performance measures and inform the legislature on the content of that assessment. The information must include an assessment of its progress by consumers and employees.

Sec. 10. [REPEALER.]

Minnesota Statutes 1992, sections 126A.02, subdivision 1, and 126A.03, are repealed.

## ARTICLE 12

MANDATE REPEALS  
OMNIBUS EDUCATION MANDATE REPEAL ACT  
TO PROMOTE LOCAL FLEXIBILITY AND INNOVATION IN THE CLASSROOM

## Section 1. [PURPOSE.]

The legislature recognizes the need to give communities more local control over education so they can better fulfill the public school system's mission of ensuring individual academic achievement, an informed citizenry, and a highly productive work force. The purpose of this act is to repeal or modify restrictive and unnecessary mandates that hamper flexibility and innovation. The state's focus should be on performance rather than procedures. By decentralizing decision-making and emphasizing result-oriented rulemaking, this act also furthers the legislature's goal of moving from a means-based system of education to one that is accountable for outcomes.

## MINNESOTA STATUTES

Sec. 2. Minnesota Statutes 1992, section 121.11, subdivision 7, is amended to read:

Subd. 7. [GENERAL SUPERVISION OVER EDUCATIONAL AGENCIES.] The state board of education shall adopt goals for and exercise general supervision over public schools and public educational agencies in the state, classify and standardize public elementary and secondary schools, and prepare for them outlines and suggested courses of study. The board shall develop a plan to attain the adopted goals. At the board's request, the commissioner may assign department of education staff to assist the board in attaining its goals. The commissioner shall explain to the board in writing any reason for refusing or delaying a request for staff assistance. ~~The board shall establish rules relating to examinations, reports, acceptances of schools, courses of study, and other proceedings in connection with elementary and secondary schools applying for special state aid.~~ The state board may recognize educational accrediting agencies for the sole purposes of sections 120.101, 120.102, and 120.103.

Sec. 3. Minnesota Statutes 1992, section 121.11, is amended by adding a subdivision to read:

Subd. 7b. [ADMINISTRATIVE RULES.] The state board may adopt new rules and amend them or amend any of its existing rules only under specific authority. The state board may repeal any of its existing rules. Notwithstanding the provisions of section 14.05, subdivision 4, the state board may grant a variance to its rules upon application by a school district for purposes of implementing experimental programs in learning or school management. This subdivision shall not prohibit the state board from making technical changes or corrections to its rules.

Sec. 4. Minnesota Statutes 1992, section 121.11, is amended by adding a subdivision to read:

Subd. 7c. [RESULTS-ORIENTED GRADUATION RULE.] The legislature is committed to establishing a rigorous, results-oriented graduation rule for Minnesota's public school students. To that end, the state board shall use its rulemaking authority under subdivision 7b to adopt a statewide, results-oriented graduation rule to be implemented starting with students beginning high school in 1996. The board shall not prescribe in rule or otherwise the delivery system, form of instruction, or a single statewide form of assessment that local sites must use to meet the requirements contained in this rule.

Sec. 5. Minnesota Statutes 1992, section 121.11, is amended by adding a subdivision to read:

Subd. 7d. [DESEGREGATION, INCLUSIVE EDUCATION, AND LICENSURE RULES.] The state board may make rules relating to desegregation, inclusive education, and licensure of school personnel not licensed by the board of teaching.

Sec. 6. Minnesota Statutes 1992, section 121.11, subdivision 12, is amended to read:

Subd. 12. [ADMINISTRATIVE RULES TEACHER RULE VARIANCES.] ~~The state board may adopt new rules only upon specific authority other than under this subdivision. The state board may amend or repeal any of its existing rules. Notwithstanding the provisions of section 14.05, subdivision 4, the state board may grant a variance to its rules upon application by a school district for purposes of implementing experimental programs in learning or school management.~~ Notwithstanding any law to the contrary, and only upon receiving the agreement of the state board of teaching, the state board of education may grant a variance to its rules governing licensure of teachers for those teachers licensed by the board of teaching. The state board may grant a variance, without the agreement of the board of teaching, to its rules governing licensure of teachers for those teachers it licenses.

Sec. 7. Minnesota Statutes 1992, section 121.14, is amended to read:

121.14 [RECOMMENDATIONS; BUDGET.]

The state board and the commissioner of education shall recommend to the governor and legislature such modification and unification of laws relating to the state system of education as shall make those laws more readily understood and more effective in execution. ~~The state board and~~ The commissioner of education shall prepare a biennial education budget which shall be submitted to the governor and legislature, such budget to contain a complete statement of finances pertaining to the maintenance of the state department and to the distribution of state aid.

Sec. 8. Minnesota Statutes 1992, section 121.585, subdivision 2, is amended to read:

Subd. 2. [STATE BOARD DESIGNATION.] An area learning center designated by the state must be a site. ~~Up to an additional ten learning year sites may be designated by the state board of education.~~ To be designated, a district or center must demonstrate to the commissioner of education that it will:

(1) provide a program of instruction that permits pupils to receive instruction throughout the entire year; and

(2) maintain a record system that, for purposes of section 124.17, permits identification of membership attributable to pupils participating in the program. The record system and identification must ensure that the program will not have the effect of increasing the total number of pupil units attributable to an individual pupil as a result of a learning year program.

Sec. 9. Minnesota Statutes 1992, section 121.88, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] Each school board may initiate a community education program in its district and provide for the general supervision of the program. Each board may, as it considers appropriate, employ community education directors and coordinators to further the purposes of the community education program. ~~The salaries of the directors and coordinators shall be paid by the board.~~

Sec. 10. Minnesota Statutes 1992, section 121.88, subdivision 7, is amended to read:

Subd. 7. [PROGRAM APPROVAL.] To be eligible for revenue for the program for adults with disabilities, a program and budget must receive approval from the community education section in the department of education. Approval may be for ~~one or two~~ five years. During that time, a school board must report any significant changes to the department for approval. For programs offered cooperatively, the request for approval must include an agreement on the method by which local money is to be derived and distributed. A request for approval must include all of the following:

(1) characteristics of the people to be served;

(2) description of the program services and activities;

(3) program budget and amount of aid requested;

(4) participation by adults with disabilities in developing the program;

(5) assessment of the needs of adults with disabilities; and

(6) cooperative efforts with community organizations.

Sec. 11. Minnesota Statutes 1992, section 121.904, subdivision 14, is amended to read:

Subd. 14. ~~The state board~~ commissioner shall specify the fiscal year or years to which the revenue from any aid or tax levy is applicable if Minnesota Statutes do not so specify.

Sec. 12. Minnesota Statutes 1992, section 121.906, is amended to read:

121.906 [EXPENDITURES; REPORTING.]

~~Subd. 1.~~ School district expenditures shall be recognized and reported on the district books of account in accordance with this section.

~~Subd. 2. [RECOGNITION OF EXPENDITURES AND LIABILITIES.]~~ There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the uniform financial accounting and reporting standards for Minnesota school districts. Encumbrances outstanding at the end of the fiscal year do not constitute expenditures or liabilities.

~~Subd. 3. [PURCHASE ORDERS OTHER THAN INVENTORY.]~~ Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year in which the liability is incurred.

~~Subd. 4.~~ Inventory supply items may be recorded as expenditures at the time of the issuance of the purchase order or at the time of delivery to the school district's subordinate unit or other consumer of the item.

~~Subd. 5.~~ Salaries and wages shall be recorded as expenditures in the fiscal year in which the personal services are performed.

~~Subd. 6.~~ Other payable items shall be recorded in the fiscal year in which the liability is incurred.

~~Subd. 7.~~ Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.

Sec. 13. Minnesota Statutes 1992, section 121.908, subdivision 1, is amended to read:

Subdivision 1. ~~On or before June 30, 1977,~~ Each Minnesota school district shall adopt the uniform financial accounting and reporting standards for Minnesota school districts provided for in section 121.902 guidelines adopted by the department of education.

Sec. 14. Minnesota Statutes 1992, section 121.908, subdivision 2, is amended to read:

Subd. 2. Each district shall submit to the commissioner by August 15 of each year an unaudited financial statement for the preceding fiscal year. This statement shall be submitted on forms prescribed by the commissioner ~~after consultation with the advisory council on uniform financial accounting and reporting standards.~~

Sec. 15. Minnesota Statutes 1992, section 123.34, subdivision 10, is amended to read:

Subd. 10. [PRINCIPALS.] Each public school building, as defined by section 120.05, subdivision 2, clauses (1), (2) and (3), in an independent school district ~~shall~~ may be under the supervision of a principal who is assigned to that responsibility by the board of education in that school district upon the recommendation of the superintendent of schools of that school district. If pupils in kindergarten through grade 12 attend school in one building, one principal may supervise the building.

Each principal assigned the responsibility for the supervision of a school building shall hold a valid license in the assigned position of supervision and administration as established by the rules of the state board of education.

The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the school district and in accordance with the policies, rules, and regulations of the board of education, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

Sec. 16. Minnesota Statutes 1992, section 123.35, subdivision 1, is amended to read:

Subdivision 1. The board shall have the general charge of the business of the district, the school houses, and of the interests of the schools thereof. The board's authority to conduct the business of the district includes implied powers in addition to any specific powers granted by the legislature.

Sec. 17. Minnesota Statutes 1992, section 123.80, subdivision 1, is amended to read:

Subdivision 1. ~~The state board of education shall provide by rule a program of safety education for students who are transported to school. Each district receiving aid under the provisions of section 124.225 shall implement the program. In drafting said rules, the board shall give particular attention to procedures for loading, unloading, vehicle lane crossing and emergency evacuation procedures as they affect school buses.~~ provide bus safety education for students who are transported to school.

Sec. 18. Minnesota Statutes 1992, section 124.19, subdivision 5, is amended to read:

Subd. 5. [SCHEDULE ADJUSTMENTS.] (a) It is the intention of the legislature to encourage efficient and effective use of staff and facilities by school districts. School districts are encouraged to consider both cost and energy saving measures.

(b) Notwithstanding the provisions of subdivision 1 or 4, any district operating a program pursuant to sections 120.59 to 120.67 or 125.701 to 125.705, or operating a commissioner-designated area learning center program under section 124C.49, or that otherwise receives the approval of the commissioner to operate its instructional program to avoid an aid reduction in any year, may adjust the annual school schedule for that program throughout the calendar year ~~so long as the number of instructional hours in the year is not less than the number of instructional hours per day specified in the rules of the state board multiplied by the minimum number of instructional days required by subdivision 1.~~

Sec. 19. Minnesota Statutes 1992, section 124.26, subdivision 1c, is amended to read:

Subd. 1c. [PROGRAM APPROVAL.] To receive aid under this section, a district must submit an application by June 1 describing the program, on a form provided by the department. The program must be approved by the commissioner according to the following criteria:

- (1) how the needs of different levels of learning will be met;
- (2) for continuing programs, an evaluation of results;
- (3) anticipated number and education level of participants;
- (4) coordination with other resources and services;
- (5) participation in a consortium, if any, and money available from other participants;
- (6) management and program design;
- (7) volunteer training and use of volunteers;
- (8) staff development services;
- (9) program sites and schedules; and
- (10) program expenditures that qualify for aid.

The commissioner may contract with a private, nonprofit organization to provide services that are not offered by a district or that are supplemental to a district's program. The program provided under a contract must be approved according to the same criteria used for district programs.

Adult basic education programs may be approved under this subdivision for up to ~~two~~ five years. Five-year ~~Two-year~~ program approval shall be granted to an applicant who has demonstrated the capacity to:

- (1) offer comprehensive learning opportunities and support service choices appropriate for and accessible to adults at all basic skill need levels;

(2) provide a participatory and experimental learning approach based on the strengths, interests, and needs of each adult, that enables adults with basic skill needs to:

(i) identify, plan for, and evaluate their own progress toward achieving their defined educational and occupational goals;

(ii) master the basic academic reading, writing, and computational skills, as well as the problem-solving, decision making, interpersonal effectiveness, and other life and learning skills they need to function effectively in a changing society;

(iii) locate and be able to use the health, governmental, and social services and resources they need to improve their own and their families' lives; and

(iv) continue their education, if they desire, to at least the level of secondary school completion, with the ability to secure and benefit from continuing education that will enable them to become more employable, productive, and responsible citizens;

(3) plan, coordinate, and develop cooperative agreements with community resources to address the needs that the adults have for support services, such as transportation, flexible course scheduling, convenient class locations, and child care;

(4) collaborate with business, industry, labor unions, and employment-training agencies, as well as with family and occupational education providers, to arrange for resources and services through which adults can attain economic self-sufficiency;

(5) provide sensitive and well trained adult education personnel who participate in local, regional, and statewide adult basic education staff development events to master effective adult learning and teaching techniques;

(6) participate in regional adult basic education peer program reviews and evaluations; and

(7) submit accurate and timely performance and fiscal reports.

Sec. 20. Minnesota Statutes 1992, section 124.2713, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] To be eligible for community education revenue, a district must:

~~(1) operate a community education program that complies with section 121.88; and~~

~~(2) file a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that a meeting was held to discuss methods of increasing cooperation among the governing boards of each county, city, and township in which the district, or any part of the district, is located, and that each governing board was sent a written notice of the meeting at least 15 working days before the meeting. The failure of a governing board to attend the meeting shall not affect the authority of the district to obtain community education revenue.~~

Sec. 21. Minnesota Statutes 1992, section 125.032, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] A person who teaches in a community education program which qualifies for aid pursuant to section 124.26 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for community education aid pursuant to section 124.2713 or early childhood and family education aid pursuant to section 124.2711 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the board of teaching or be subject to section 171.35. A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 125.12, subdivision 1, or 125.17, subdivision 1, clause (a).

Sec. 22. Minnesota Statutes 1992, section 125.12, subdivision 3b, is amended to read:

Subd. 3b. [~~APPLICABILITY PEER REVIEW FOR PROBATIONARY TEACHERS.~~] ~~Subdivision 3a does not apply to a school district that has formally adopted A school board and an exclusive representative of the teachers in the district shall develop a probationary teacher peer review process that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board through joint agreement.~~

Sec. 23. Minnesota Statutes 1992, section 125.12, subdivision 4b, is amended to read:

Subd. 4b. [~~APPLICABILITY PEER REVIEW FOR CONTINUING CONTRACT TEACHERS.~~] ~~Subdivision 4a does not apply to a school district that has formally adopted A school board and an exclusive representative of the teachers in the district shall develop a peer review process for continuing contract teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board through joint agreement.~~

Sec. 24. Minnesota Statutes 1992, section 125.17, subdivision 2b, is amended to read:

Subd. 2b. [~~APPLICABILITY PEER REVIEW FOR PROBATIONARY TEACHERS.~~] ~~Subdivision 2a does not apply to a school district that has formally adopted A school board and an exclusive representative of the teachers in the district shall develop a probationary teacher peer review process that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board through joint agreement.~~

Sec. 25. Minnesota Statutes 1992, section 125.17, subdivision 3b, is amended to read:

Subd. 3b. [~~APPLICABILITY PEER REVIEW FOR CONTINUING CONTRACT TEACHERS.~~] ~~Subdivision 3a does not apply to a school district that has formally adopted A school board and an exclusive representative of the teachers in the district shall develop a peer review process for nonprobationary teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board through joint agreement.~~

Sec. 26. [125.706] [PREPARATION TIME.]

Beginning with agreements effective July 1, 1995, and thereafter, all collective bargaining agreements for teachers provided for under Minnesota Statutes, chapter 179A, must include provisions for preparation time or a provision indicating that the parties to the agreement chose not to include preparation time in the contract.

If the parties cannot agree on preparation time the following provision shall apply and be incorporated as part of the agreement: "Within the student day for every 25 minutes of instructional time, a minimum of five additional minutes of preparation time shall be provided to each licensed teacher. Preparation time shall be provided in one or two uninterrupted blocks during the student day. Exceptions to this may be made by mutual agreement between the district and the exclusive representative of the teachers."

Sec. 27. [125.80] [TEACHER LUNCH PERIOD.]

Each teacher shall be provided with a duty-free lunch period, scheduled according to school board policy or negotiated agreement.

Sec. 28. [126.681] [EVALUATION OF PUPIL GROWTH AND PROGRESS; PERMANENT RECORDS.]

Each school district shall provide a testing program for the purpose of measuring pupil growth and for curriculum evaluation, as well as a system for grading and making reports to parents. Each district shall develop an appropriate program of pupil progress and promotion for its elementary, middle, and secondary schools. Each district shall keep accurate and complete individual, permanent, cumulative personal records for all pupils.

Sec. 29. [126.699] [PARENTAL CURRICULUM REVIEW.]

Each school district shall have a procedure for a parent, guardian, or an adult student, 18 years of age or older, to review the content of the instructional materials to be provided to a minor child or to an adult student and, if the parent, guardian, or adult student objects to the content, to make reasonable arrangements with school personnel for alternative instruction. Alternative instruction may be provided by the parent, guardian, or adult student if the alternative instruction, if any, offered by the school board does not meet the concerns of the parent, guardian, or adult student. The school board is not required to pay for the costs of alternative instruction provided by a parent, guardian, or adult student. School personnel may not impose an academic or other penalty upon a student merely for arranging alternative instruction under this section. School personnel may evaluate and assess the quality of the student's work.

Sec. 30. Minnesota Statutes 1992, section 144.29, is amended to read:

144.29 [HEALTH RECORDS; CHILDREN OF SCHOOL AGE.]

It shall be the duty of every school nurse, school physician, school attendance officer, superintendent of schools, principal, teacher, and of the persons charged with the duty of compiling and keeping the school census records, to cause a permanent public health record to be kept for each child of school age. Such record shall be kept in such form that it may be transferred with the child to any school which the child shall attend within the state and transferred to the commissioner when the child ceases to attend school. It shall contain a record of such health matters as shall be prescribed by the commissioner, and of all mental and physical defects and handicaps which might permanently cripple or handicap the child. Nothing in sections 144.29 to 144.32 shall be construed to require any child whose parent or guardian objects in writing thereto to undergo a physical or medical examination or treatment. A copy shall be forwarded to the proper department of any state to which the child shall remove. Each district shall assign a teacher, school nurse, or other professional person to review, at the beginning of each school year, the health record of all pupils under the assignee's direction. Growth, results of vision and hearing screening, and findings obtained from health assessments must be entered periodically on the pupil's health record.

Sec. 31. [ENVIRONMENTAL EDUCATION.]

The advisory board established in Minnesota Statutes, section 126A.02, shall advise the commissioner of education on development of a results-oriented graduation rule.

Sec. 32. [REPEALER.]

(a) Minnesota Statutes 1992, sections 120.095; 120.101, subdivision 5a; 120.75, subdivision 2; 120.80, subdivision 2; 121.11, subdivisions 6 and 13; 121.165; 121.19; 121.49; 121.883; 121.90; 121.901; 121.902; 121.904, subdivisions 5, 6, 8, 9, 10, 11a, and 11c; 121.908, subdivision 4; 121.9121, subdivisions 3 and 5; 121.931, subdivisions 6, 6a, 7, and 8; 121.934; 121.936 subdivisions 1, 2, and 3; 121.937; 121.94; 121.941; 121.942; 121.943; 123.33, subdivisions 10, 14, 15, and 16; 123.35, subdivision 14; 123.352; 123.36, subdivisions 2, 3, 4, 4a, 6, 8, 9, and 12; 123.40, subdivisions 4 and 6; 123.61; 123.67; 123.709; 123.744; 124.615; 124.62; 124.64; 124.645; 124.67; 124.68; 124.69; 124.79; 125.12, subdivisions 3a and 4a; 125.17, subdivisions 2a and 3a; 126.09; 126.111; 126.112; 126.20, subdivision 4; 126.24; and 126.268, are repealed.

(b) Minnesota Statutes 1992, section 121.11, subdivision 15, is repealed.

(c) Minnesota Statutes 1992, sections 120.101, subdivision 5b; 121.11, subdivision 16; 121.585, subdivision 3; 124.19, subdivisions 1, 1b, 6, and 7; 126.02; 126.025; 126.031; 126.06; 126.08; 126.12, subdivision 2; 126.662; 126.663; 126.664; 126.665; 126.666; 126.67; 126.68; 126A.01; 126A.02; 126A.04; 126A.05; 126A.07; 126A.08; 126A.09; 126A.10; 126A.11; and 126A.12, are repealed.

## MINNESOTA RULES

Sec. 33. [SCHOOL BUS SAFETY TASK FORCE.]

Subdivision 1. [MEMBERSHIP.] The school bus safety task force consists of 15 members appointed jointly by the commissioners of education and public safety. The membership shall include a representative of each department, a student school bus rider, a parent of a school-age child using school transportation, a representative of the Minnesota state patrol, school transportation managers, school board members, a representative of a public transit authority not affiliated with schools, and school bus mechanics, manufacturers, or other school bus industry representatives. The commissioners of education and public safety shall call the first meeting, at which a chair shall be elected.

Subd. 2. [DUTIES.] The task force established by subdivision 1 shall review state and federal statutes and administrative rules relating to school bus design and safety and make recommendations to eliminate duplication and otherwise streamline the regulatory scheme. The task force shall examine the feasibility of converting current administrative rules governing school bus design to guidelines administered either by the department of education or public safety.

Subd. 3. [REPORT.] The task force shall report to the chairs of the senate and house education committees its findings and recommendations by January 15, 1994.

Sec. 34. [OUTCOME-BASED LICENSURE OF TEACHERS AND ADMINISTRATORS.]

Rules adopted by the state board of education and the board of teaching regarding licensure of teachers or administrators shall, to the extent possible, be outcome-based and clearly related to the results-oriented graduation rule to be implemented starting with students entering high school in 1996. The boards shall develop outcomes relating to flexible school-based organizational structures and inclusive instructional strategies. Each board shall report to the legislature on the status of its licensure rules by February 15, 1995. The reports shall explain how the rules are outcome-based and how they relate to learner outcomes for students.

Sec. 35. [DRIVER EDUCATION; COOPERATION WITH DEPARTMENT OF PUBLIC SAFETY.] The state board shall cooperate with the department of public safety to develop a single set of rules for driver education programs, whether public, private, or commercial.

Sec. 36. [VOCATIONAL PROGRAM STANDARDS.]

By August 1, 1996, the department of education shall develop program standards to replace rules in chapter 3505 governing approval of secondary vocational programs, including community-based cooperative vocational programs.

Sec. 37. [RULE CHANGE.]

The state board shall amend Minnesota Rules, part 3505.2400, to delete the requirement of annual submission of approval requests for secondary vocational education programs. The amendment is not subject to the rulemaking provisions of chapter 14, but the state board must comply with section 14.38, subdivision 7, in adopting the amendment.

Sec. 38. [ARTS SCHOOL DEADLINE.]

The Minnesota center for arts education may extend the deadline specified in rule for admission to its high school if the school's enrollment is less than the maximum of 300.

Sec. 39. [REPEALER.]

(a) Minnesota Rules, parts 3500.0500; 3500.0600, subparts 1 and 2; 3500.0605; 3500.0800; 3500.1090; 3500.1800; 3500.2950; 3500.3100, subparts 1 to 3; 3500.3500; 3500.3600; 3500.4400; 3510.2200; 3510.2300; 3510.2400; 3510.2500; 3510.2600; 3510.6200; 3520.0200; 3520.0300; 3520.0600; 3520.1000; 3520.1200; 3520.1300; 3520.1800; 3520.2700; 3520.3802; 3520.3900; 3520.4500; 3520.4620; 3520.4630; 3520.4640; 3520.4680; 3520.4750; 3520.4761; 3520.4811; 3520.4831; 3520.4910; 3520.5330; 3520.5340; 3520.5370; 3520.5461; 3525.2850; 3530.0300; 3530.0600; 3530.0700; 3530.0800; 3530.1100; 3530.1300; 3530.1400; 3530.1600; 3530.1700; 3530.1800; 3530.1900; 3530.2000; 3530.2100; 3530.2800; 3530.2900; 3530.3100, subparts 2 to 4; 3530.3200, subparts 1 to 5; 3530.3400, subparts 1, 2, and 4 to 7; 3530.3500; 3530.3600; 3530.3900; 3530.4000; 3530.4100; 3530.5500; 3530.5700; 3530.6100; 3535.0800; 3535.1000; 3535.1400; 3535.1600; 3535.1800; 3535.1900; 3535.2100; 3535.2200; 3535.2600; 3535.2900; 3535.3100; 3535.3500; 3535.9930; 3535.9940; 3535.9950; 3540.0600; 3540.0700; 3540.0800; 3540.0900; 3540.1000; 3540.1100; 3540.1200; 3540.1300; 3540.1700; 3540.1800; 3540.1900; 3540.2000; 3540.2100; 3540.2200; 3540.2300; 3540.2400; 3540.2800; 3540.2900; 3540.3000; 3540.3100; 3540.3200; 3540.3300; 3540.3400; 3545.1000; 3545.1100; 3545.1200; 3545.2300; 3545.2700; 3545.3000; 3545.3002; 3545.3004; 3545.3005; 3545.3014; 3545.3022; 3545.3024; 8700.4200; 8700.6410; 8700.6800; 8700.7100; 8700.9000; 8700.9010; 8700.9020; and 8700.9030, are repealed.

(b) Minnesota Rules, parts 3520.1600; 3520.2400; 3520.2500; 3520.2600; 3520.2800; 3520.2900; 3520.3000; 3520.3100; 3520.3200; 3520.3400; 3520.3500; 3520.3680; 3520.3701; 3520.3801; 3520.4001; 3520.4100; 3520.4201; 3520.4301; 3520.4400; 3520.4510; 3520.4531; 3520.4540; 3520.4550; 3520.4560; 3520.4570; 3520.4600; 3520.4610; 3520.4650; 3520.4670; 3520.4701; 3520.4711; 3520.4720; 3520.4731; 3520.4741; 3520.4801; 3520.4840; 3520.4850; 3520.4900; 3520.4930; 3520.4980; 3520.5000; 3520.5010; 3520.5111; 3520.5120; 3520.5141; 3520.5151; 3520.5160; 3520.5171; 3520.5180; 3520.5190; 3520.5200; 3520.5220; 3520.5230; 3520.5300; 3520.5310; 3520.5361; 3520.5380; 3520.5401; 3520.5450; 3520.5471; 3520.5481; 3520.5490; 3520.5500; 3520.5510; 3520.5520; 3520.5531; 3520.5551; 3520.5560; 3520.5570; 3520.5580; 3520.5600; 3520.5611; 3520.5700; 3520.5710; 3520.5900; 3520.5910; 3520.5920; 3530.6500; 3530.6600; 3530.6700; 3530.6800; 3530.6900; 3530.7000; 3530.7100; 3530.7200; 3530.7300; 3530.7400; 3530.7500; 3530.7600; 3530.7700; and 3530.7800, are repealed.

(c) Minnesota Rules, parts 3500.1400; 3500.3700; 3510.0100; 3510.0200; 3510.0300; 3510.0400; 3510.0500; 3510.0600; 3510.0800; 3510.1100; 3510.1200; 3510.1300; 3510.1400; 3510.1500; 3510.1600; 3510.2800; 3510.2900; 3510.3000; 3510.3200; 3510.3400; 3510.3500; 3510.3600; 3510.3700; 3510.3800; 3510.7200; 3510.7300; 3510.7400; 3510.7500; 3510.7600; 3510.7700; 3510.7900; 3510.8000; 3510.8100; 3510.8200; 3510.8300; 3510.8400; 3510.8500; 3510.8600; 3510.8700; 3510.9000; 3510.9100; chapters 3515, 3517.0100; 3517.0120; 3517.3150; 3517.3170; 3517.3420; 3517.3450; 3517.3500; 3517.3650; 3517.4000; 3517.4100; 3517.4200; 3517.8500; 3517.8600; and 3560, are repealed.

(d) Minnesota Rules, parts 3500.0710; 3500.1060; 3500.1075; 3500.1100; 3500.1150; 3500.1200; 3500.1500; 3500.1600; 3500.1900; 3500.2000; 3500.2020; 3500.2100; 3500.2900; 3500.5010; 3500.5020; 3500.5030; 3500.5040; 3500.5050; 3500.5060; 3500.5070; 3505.2700; 3505.2800; 3505.2900; 3505.3000; 3505.3100; 3505.3200; 3505.3300; 3505.3400; 3505.3500; 3505.3600; 3505.3700; 3505.3800; 3505.3900; 3505.4000; 3505.4100; 3505.4200; 3505.4400; 3505.4500; 3505.4600; 3505.4700; 3505.5100; 8700.2900; 8700.3000; 8700.3110; 8700.3120; 8700.3200; 8700.3300; 8700.3400; 8700.3500; 8700.3510; 8700.3600; 8700.3700; 8700.3810; 8700.3900; 8700.4000; 8700.4100; 8700.4300; 8700.4400; 8700.4500; 8700.4600; 8700.4710; 8700.4800; 8700.4901; 8700.4902; 8700.5100; 8700.5200; 8700.5300; 8700.5310; 8700.5311; 8700.5500; 8700.5501; 8700.5502; 8700.5503; 8700.5504; 8700.5505; 8700.5506; 8700.5507; 8700.5508; 8700.5509; 8700.5510; 8700.5511; 8700.5512; 8700.5800; 8700.6310; 8700.6900; 8700.7010; 8700.7700; 8700.7710; 8700.8000; 8700.8010; 8700.8020; 8700.8030; 8700.8040; 8700.8050; 8700.8060; 8700.8070; 8700.8080; 8700.8090; 8700.8110; 8700.8120; 8700.8130; 8700.8140; 8700.8150; 8700.8160; 8700.8170; 8700.8180; 8700.8190; 8750.0200; 8750.0220; 8750.0240; 8750.0260; 8750.0300; 8750.0320; 8750.0330; 8750.0350; 8750.0370; 8750.0390; 8750.0410; 8750.0430; 8750.0460; 8750.0500; 8750.0520; 8750.0600; 8750.0620; 8750.0700; 8750.0720; 8750.0740; 8750.0760; 8750.0780; 8750.0800; 8750.0820; 8750.0840; 8750.0860; 8750.0880; 8750.0890; 8750.0900; 8750.0920; 8750.1000; 8750.1100; 8750.1120; 8750.1200; 8750.1220; 8750.1240; 8750.1260; 8750.1280; 8750.1300; 8750.1320; 8750.1340; 8750.1360; 8750.1380; 8750.1400; 8750.1420; 8750.1440; 8750.1500; 8750.1520; 8750.1540; 8750.1560; 8750.1580; 8750.1600; 8750.1700; 8750.1800; 8750.1820; 8750.1840; 8750.1860; 8750.1880; 8750.1900; 8750.1920; 8750.1930; 8750.1940; 8750.1960; 8750.1980; 8750.2000; 8750.2020; 8750.2040; 8750.2060; 8750.2080; 8750.2100; 8750.2120; 8750.2140; 8750.4000; 8750.4100; 8750.4200; 8750.9000; 8750.9100; 8750.9200; 8750.9300; 8750.9400; 8750.9500; 8750.9600; and 8750.9700, are repealed.

Sec. 40. [LEGISLATIVE INTENT.]

The legislature does not intend, by the repeal of the rules listed in section 39, to ratify or endorse the parts of the rules not repealed.

Sec. 41. [EFFECTIVE DATE.]

Sections 22 to 25 are effective July 1, 1995.

Section 32, paragraph (b), is effective July 1, 1995. Section 32, paragraph (c), is effective August 1, 1996.

Section 39, paragraph (b), is effective August 1, 1994. Section 39, paragraph (c), is effective July 1, 1995. Section 39, paragraph (d), is effective August 1, 1996.

ARTICLE 13

REALIGNMENT OF RESPONSIBILITIES

Section 1. Minnesota Statutes 1992, section 120.062, subdivision 5, is amended to read:

Subd. 5. [DESEGREGATION DISTRICT TRANSFERS.] (a) This subdivision applies to a transfer into or out of a district that has a desegregation plan approved by the ~~state board~~ commissioner of education.

(b) An application to transfer may be submitted at any time for enrollment beginning at any time.

(c) The parent or guardian of a pupil who is a resident of a district that has a desegregation plan must submit an application to the resident district. If the district accepts the application, it must forward the application to the nonresident district.

(d) The parent or guardian of a pupil who applies for enrollment in a nonresident district that has a desegregation plan must submit an application to the nonresident district.

(e) Each district must accept or reject an application it receives and notify the parent or guardian in writing within 30 calendar days of receiving the application. A notification of acceptance must include the date enrollment can begin.

(f) If an application is rejected, the district must state the reason for rejection in the notification. If a district that has a desegregation plan rejects an application for a reason related to the desegregation plan, the district must state with specificity how acceptance of the application would result in noncompliance with state board rules with respect to the school or program for which application was made.

(g) If an application is accepted, the parent or guardian must notify the nonresident district in writing within 15 calendar days of receiving the acceptance whether the pupil intends to enroll in the nonresident district. Notice of intention to enroll obligates the pupil to enroll in the nonresident district, unless the school boards of the resident and nonresident districts agree otherwise. If a parent or guardian does not notify the nonresident district, the pupil may not enroll in that nonresident district at that time, unless the school boards of the resident and nonresident district agree otherwise.

(h) Within 15 calendar days of receiving the notice from the parent or guardian, the nonresident district shall notify the resident district in writing of the pupil's intention to enroll in the nonresident district.

(i) A pupil enrolled in a nonresident district under this subdivision is not required to make annual or periodic application for enrollment but may remain enrolled in the same district. A pupil may transfer to the resident district at any time.

(j) A pupil enrolled in a nonresident district and applying to transfer into or out of a district that has a desegregation plan must follow the procedures of this subdivision. For the purposes of this type of transfer, "resident district" means the nonresident district in which the pupil is enrolled at the time of application.

(k) A district that has a desegregation plan approved by the state board of education must accept or reject each individual application in a manner that will enable compliance with its desegregation plan.

Sec. 2. Minnesota Statutes 1992, section 120.0751, is amended to read:

120.0751 [~~STATE BOARD~~ COMMISSIONER OF EDUCATION; ENROLLMENT EXCEPTIONS.]

Subdivision 1. The ~~state board of education~~ commissioner may permit a pupil to enroll in a school district of which the pupil is not a resident under this section.

Subd. 2. The pupil or the pupil's parent or guardian shall make application to the ~~state board~~ commissioner, explaining the particular circumstances which make the nonresident district the appropriate district of attendance for the pupil. The application must be signed by the pupil's parent or guardian and the superintendent of the nonresident district.

Subd. 3. [CRITERIA FOR APPROVAL.] In approving or disapproving the application the ~~state board~~ commissioner shall consider the following:

(a) if the circumstances of the pupil are similar or analogous to the exceptions permitted by section 120.075, whether attending school in the district of residence creates a particular hardship for the pupil; or

(b) if the pupil has been continuously enrolled for at least two years in a district of which the pupil was not a resident because of an error made in good faith about the actual district of residence, whether attending school in the district of residence creates a particular hardship for the pupil. If the ~~board~~ commissioner finds that a good faith error was made and that attending school in the district of residence would create a particular hardship for the siblings of that pupil or foster children of that pupil's parents, ~~if the commissioner~~ the commissioner may separately approve an application for any or all of the siblings of the pupil who are related by blood, adoption, or marriage and for foster children of the pupil's parents.

Subd. 4. The ~~state board of education~~ commissioner shall render its decision in each case within 60 days of receiving the application in subdivision 2.

Subd. 5. The ~~department of education~~ commissioner shall provide the forms required by subdivision 2. ~~The state board of education~~ and shall adopt the procedures necessary to implement this section.

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.

Sec. 3. Minnesota Statutes 1992, section 120.75, is amended to read:

120.75 [HEARING.]

Subdivision 1. Prior to the initiation of any fee not authorized or prohibited by sections 120.73 and 120.74, the local school board shall hold a public hearing within the district upon three weeks published notice in the district's official newspaper. The local school board shall notify the state board commissioner of any fee it proposes to initiate under this section. If within 45 days of this notification, the state board commissioner does not disapprove the proposed fee, the local school board may initiate the proposed fee.

Subd. 2. The state board commissioner pursuant to the administrative procedure act, sections 14.001 to 14.69, and consistent with the general policy of section 120.72 shall have the power to specify further authorized and prohibited fees and to adopt rules for the purposes of sections 120.71 to 120.76.

Sec. 4. Minnesota Statutes 1992, section 121.15, subdivision 4, is amended to read:

Subd. 4. [CONDEMNATION OF SCHOOL BUILDINGS.] The commissioner may condemn school buildings and sites ~~that the state board of education determines are~~ determined to be unfit or unsafe for that use.

Sec. 5. Minnesota Statutes 1992, section 121.201, subdivision 1, is amended to read:

Subdivision 1. [RESPONSIBILITY OF BOARD COMMISSIONER.] The state board of education commissioner shall coordinate and may pay for support services for hearing impaired persons to assure access to educational opportunities. Services may be provided to adult students who are hearing impaired and (a) have been denied access to educational opportunities because of the lack of support services or (b) are presently enrolled or (c) are contemplating enrollment in an educational program and would benefit from support services. The state board commissioner shall also be responsible for conducting in-service training for public and private agencies regarding the needs of hearing impaired persons in the adult education system.

Sec. 6. Minnesota Statutes 1992, section 121.904, subdivision 14, is amended to read:

Subd. 14. The state board commissioner shall specify the fiscal year or years to which the revenue from any aid or tax levy is applicable if Minnesota Statutes do not so specify.

Sec. 7. Minnesota Statutes 1992, section 121.9121, subdivision 1, is amended to read:

Subdivision 1. [STATE BOARD COMMISSIONER'S AUTHORIZATION.] The state board commissioner may authorize a board to transfer money from any fund or account other than the debt redemption fund to another fund or account according to this section.

Sec. 8. Minnesota Statutes 1992, section 121.9121, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] A board requesting authority to transfer money shall apply to the state board commissioner and provide information requested. The application shall indicate the law or rule prohibiting the desired transfer. It shall be signed by the superintendent and approved by the school board.

Sec. 9. Minnesota Statutes 1992, section 121.9121, subdivision 4, is amended to read:

Subd. 4. [APPROVAL STANDARD.] The state board commissioner may approve a request only when an event has occurred in a district that could not have been foreseen by the district. The event shall relate directly to the fund or account involved and to the amount to be transferred.

Sec. 10. Minnesota Statutes 1992, section 121.935, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) respond within 15 calendar days to requests from the department for district information provided to the region for state reporting of information, based on the data elements in the data element dictionary;

(c) operate financial management information systems consistent with the uniform financial accounting and reporting standards adopted by the ~~state board~~ commissioner pursuant to sections 121.90 to 121.917;

(d) make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) develop and maintain a plan to provide services during a system failure or a disaster;

(f) comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; and

(g) operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards adopted by the ~~state board~~ commissioner.

Sec. 11. Minnesota Statutes 1992, section 121.935, subdivision 5, is amended to read:

Subd. 5. [REGIONAL SUBSIDIES.] In any year when a regional management information center's annual plan and budget are approved pursuant to subdivision 3, the center shall receive a regional reporting subsidy grant from the department of education. The subsidy grant shall be in the amount allocated by the ~~state board~~ commissioner in the process of approving the annual budgets of the regional management information centers pursuant to subdivision 3. The amounts of the subsidy grants and an explanation of the allocation decisions shall be filed by the ~~state board~~ commissioner with the education committees of the legislature.

When determining the amount of a subsidy grant, the ~~state board~~ commissioner shall consider the following factors:

(a) the number of students in districts affiliated with the center;

(b) the number of districts affiliated with the center;

(c) fixed and overhead costs to be incurred in operating the regional center, the finance subsystem, the payroll/personnel subsystem, and the student support subsystem;

(d) variable costs to be incurred that differ in proportion to the number of districts served and the number of subsystems implemented for those districts;

(e) services provided to districts that enable the districts to meet state reporting requirements;

(f) the cost of meeting the reporting requirements of subdivision 2 for districts using approved alternative management information systems; and

(g) the number of districts affiliated with a regional management information center in relation to the geographic area occupied by those districts.

Sec. 12. Minnesota Statutes 1992, section 121.936, subdivision 4, is amended to read:

Subd. 4. [ALTERNATIVE SYSTEMS; STATE BOARD COMMISSIONER.] Upon approval of the proposal by the ~~state board~~ commissioner the district may proceed in accordance with its approved proposal. Except as provided in section 121.931, subdivision 5, an alternative system approved pursuant to this subdivision shall be developed and purchased at the expense of the district. Notwithstanding any law to the contrary, when an alternative system has been approved by the ~~state board~~ commissioner, another district may use the system without ~~state board~~ approval of the commissioner. A district which has submitted a proposal for an alternative system which has been disapproved may not submit another proposal for that fiscal year, but it may submit a proposal for the subsequent fiscal year.

Sec. 13. Minnesota Statutes 1992, section 121.936 subdivision 4a, is amended to read:

Subd. 4a. The ~~department of education~~ commissioner shall develop and implement an alternative reporting system for submission of financial data in summary form. This system shall accommodate the use of a microcomputer finance system to be developed and maintained by the ~~department of education~~ commissioner. The alternative reporting system must comply with sections 121.90 to 121.917. The provisions of this subdivision shall not be construed to require the department to purchase computer hardware nor to prohibit the department from purchasing services from any regional management information center ~~or the Minnesota educational computing consortium~~.

Sec. 14. Minnesota Statutes 1992, section 122.241, subdivision 3, is amended to read:

Subd. 3. [COMBINATION REQUIREMENTS.] Combining districts must be contiguous and meet one of the following requirements at the time of combination:

(1) at least two districts with at least 400 resident pupils enrolled in grades 7 through 12 in the combined district and projections, approved by the department of education, of enrollment at least at that level for five years;

(2) at least two districts if either:

(i) both of the districts qualify for secondary sparsity revenue under section 124A.22, subdivision 6, and have an average isolation index over 23; or

(ii) the combined district qualifies for secondary sparsity revenue;

(3) at least three districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district; or

(4) at least two districts with fewer than 400 resident pupils enrolled in grades 7 through 12 in the combined district if either district is located on the border of the state.

A combination under clause (2), (3), or (4) must be approved by the ~~state board~~ commissioner of education. The ~~state board~~ commissioner shall disapprove a combination under clause (2), (3), or (4) if the combination is educationally unsound or would not reasonably enable the districts to fulfill statutory and rule requirements.

Sec. 15. Minnesota Statutes 1992, section 122.243, subdivision 1, is amended to read:

Subdivision 1. [~~STATE BOARD COMMISSIONER APPROVAL.~~] Before submitting the question of combining school districts to the voters at a referendum, the cooperating districts shall submit the proposed combination to the ~~state board~~ commissioner of education. The ~~state board~~ commissioner shall determine the date for submission and may require any information it determines necessary. The ~~state board~~ commissioner shall disapprove the proposed combination if it is educationally unsound, will not reasonably enable the combined district to fulfill statutory and rule requirements, or if the plan or modifications are incomplete. If disapproved by the ~~state board~~ commissioner, the referendum shall be postponed, but not canceled, by the school boards.

Sec. 16. Minnesota Statutes 1992, section 122.247, subdivision 3, is amended to read:

Subd. 3. [TRANSITIONAL LEVY.] The board of the combined district, or the boards of combining districts that have received voter approval for the combination under section 122.243, subdivision 2, may levy for the expenses of negotiation, administrative expenses directly related to the transition from cooperation to combination, and the cost of necessary new athletic and music uniforms. The board or boards may levy this amount over three or fewer years. All expenses must be approved by the ~~state board~~ commissioner of education.

Sec. 17. Minnesota Statutes 1992, section 123.35, subdivision 17, is amended to read:

Subd. 17. [SCHOOL HEALTH SERVICES.] (a) Every school board must provide services to promote the health of its pupils.

(b) The board of a district with 1,000 pupils or more in average daily membership in early childhood family education, preschool handicapped, elementary, and secondary programs must comply with the requirements of this paragraph. It may use one or a combination of the following methods:

(1) employ personnel, including at least one full-time equivalent licensed school nurse or continue to employ a registered nurse not yet certified as a public health nurse as defined in section 145A.02, subdivision 18, who is enrolled in a program that would lead to certification within four years of August 1, 1988;

(2) contract with a public or private health organization or another public agency for personnel during the regular school year, determined appropriate by the board, who are currently licensed under chapter 148 and who are certified public health nurses; or

(3) enter into another arrangement approved by the ~~state board of education~~ commissioner.

Sec. 18. Minnesota Statutes 1992, section 123.351, subdivision 6, is amended to read:

Subd. 6. [~~STATE BOARD COMMISSIONER APPROVAL.~~] Prior to the commencement of the operation of any center the agreement entered into by participating districts shall be approved by the ~~state board of education commissioner~~.

Sec. 19. Minnesota Statutes 1992, section 123.351, subdivision 8, is amended to read:

Subd. 8. [ADDITION AND WITHDRAWAL OF DISTRICTS.] Upon approval by majority vote of a school board, of the center board, and of the ~~state board of education commissioner~~, an adjoining school district may become a member in the center and be governed by the provisions of this section and the agreement in effect.

Any participating district may withdraw from the center and from the agreement in effect by a majority vote of the full board membership of the participating school district desiring withdrawal and upon compliance with provisions in the agreement establishing the center. Upon receipt of the withdrawal resolution reciting the necessary facts, the center board shall file a certified copy with the county auditors of the counties affected. The withdrawal shall become effective at the end of the next following school year but the withdrawal shall not affect the continued liability of the withdrawing district for bonded indebtedness it incurred prior to the effective withdrawal date.

Sec. 20. Minnesota Statutes 1992, section 123.351, subdivision 9, is amended to read:

Subd. 9. [EXISTING CENTERS.] Centers operating pursuant to section 471.59 which have been approved by the state board of education prior to August 1, 1974 shall be subject to its provisions except subdivision 1. Any changes in center agreements necessary to comply with this section shall be completed within 12 months after August 1, 1974 and filed with the ~~state board commissioner~~ by the administrator of each center. Centers operating pursuant to Laws 1967, chapter 822, as amended, Laws 1969, chapter 775, as amended, and Laws 1969, chapter 1060, as amended shall not be subject to the provisions of this section.

Sec. 21. Minnesota Statutes 1992, section 123.3513, is amended to read:

123.3513 [ADVANCED ACADEMIC CREDIT.]

A school district shall grant academic credit to a pupil attending an accelerated or advanced academic course offered by a higher education institution or a nonprofit public agency other than the district, if the pupil successfully completes the course attended and passes an examination approved by the district. If no comparable course is offered by the district, the ~~state board of education commissioner~~ shall determine the number of credits which shall be granted to a pupil who successfully completes and passes the course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the school board's decision to the ~~state board of education commissioner~~. The ~~state board's commissioner's~~ decision regarding the number of credits shall be final.

The credits granted to a pupil shall be counted toward the graduation requirements and subject area requirements of the school district. Evidence of successful completion of each class and credits granted shall be included in the pupil's secondary school record.

Sec. 22. Minnesota Statutes 1992, section 123.3514, subdivision 5, is amended to read:

Subd. 5. [CREDITS.] A pupil may enroll in a course under this section for either secondary credit or post-secondary credit. At the time a pupil enrolls in a course, the pupil shall designate whether the course is for secondary or post-secondary credit. A pupil taking several courses may designate some for secondary credit and some for post-secondary credit. A pupil must not audit a course under this section.

A school district shall grant academic credit to a pupil enrolled in a course for secondary credit if the pupil successfully completes the course. Nine quarter or six semester college credits equal at least one full year of high school credit. Fewer college credits may be prorated. A school district shall also grant academic credit to a pupil enrolled in a course for post-secondary credit if secondary credit is requested by a pupil. If no comparable course is offered by the district, the district shall, as soon as possible, notify the ~~state board of education commissioner~~, which shall determine the number of credits that shall be granted to a pupil who successfully completes a course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the school board's decision to the ~~state board of education commissioner~~. The ~~state board's commissioner's~~ decision regarding the number of credits shall be final.

The secondary credits granted to a pupil shall be counted toward the graduation requirements and subject area requirements of the school district. Evidence of successful completion of each course and secondary credits granted shall be included in the pupil's secondary school record. A pupil must provide the school with a copy of the pupil's grade in each course taken for secondary credit under this section. Upon the request of a pupil, the pupil's secondary school record shall also include evidence of successful completion and credits granted for a course taken for post-secondary credit. In either case, the record shall indicate that the credits were earned at a post-secondary institution.

If a pupil enrolls in a post-secondary institution after leaving secondary school, the post-secondary institution shall award post-secondary credit for any course successfully completed for secondary credit at that institution. Other post-secondary institutions may award, after a pupil leaves secondary school, post-secondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

Sec. 23. Minnesota Statutes 1992, section 123.3514, subdivision 8, is amended to read:

Subd. 8. [TRANSPORTATION.] A parent or guardian of a pupil enrolled in a course for secondary credit may apply to the pupil's district of residence for reimbursement for transporting the pupil between the secondary school in which the pupil is enrolled and the post-secondary institution that the pupil attends. The ~~state board of education~~ commissioner shall establish guidelines for providing state aid to districts to reimburse the parent or guardian for the necessary transportation costs, which shall be based on financial need. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week. However, if the nearest post-secondary institution is more than 25 miles from the pupil's resident secondary school, the weekly reimbursement may not exceed the reimbursement rate per mile times the actual distance between the secondary school and the nearest post-secondary institution times ten. The state shall pay aid to the district according to the guidelines established under this subdivision. Chapter 14 does not apply to the guidelines.

Sec. 24. Minnesota Statutes 1992, section 123.58, subdivision 6, is amended to read:

Subd. 6. [DUTIES AND POWERS OF ECSU BOARD OF DIRECTORS.] The board of directors shall have authority to maintain and operate an ECSU. Subject to the availability of necessary resources, the powers and duties of this board shall include the following:

(a) The board of directors shall submit within 90 days after the filing of the initial petition with the state board of education and by June 1 of each year thereafter to the ~~state board of education~~ commissioner and to each participating school district an annual plan which describes the objectives and procedures to be implemented in assisting in resolution of the educational needs of the ECSU. In formulating the plan the board is encouraged to consider: (1) the number of dropouts of school age in the ECSU area and the reasons for the dropouts; (2) existing programs within participating districts for dropouts and potential dropouts; (3) existing programs of the ECSU for dropouts and potential dropouts and (4) program needs of dropouts and potential dropouts in the area served by the ECSU.

(b) The ECSU board of directors may provide adequate office, service center, and administrative facilities by lease, purchase, gift, or otherwise, subject to the review of the ~~state board of education~~ commissioner as to the adequacy of the facilities proposed.

(c) The ECSU board of directors may employ a central administrative staff and other personnel as necessary to provide and support the agreed upon programs and services. The board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. ECSU staff and personnel may participate in retirement programs and any other programs available to public school staff and personnel.

(d) The ECSU board of directors may appoint special advisory committees composed of superintendents, central office personnel, building principals, teachers, parents and lay persons.

(e) The ECSU board of directors may employ service area personnel pursuant to licensure standards developed by the ~~state board of education~~ and the board of teaching.

(f) The ECSU board of directors may enter into contracts with school boards of local districts including school districts outside the ECSU area.

(g) The ECSU board of directors may enter into contracts with other public and private agencies and institutions which may include, but are not limited to, contracts with Minnesota institutions of higher education to provide administrative staff and other personnel as necessary to furnish and support the agreed upon programs and services.

(h) The ECSU board of directors shall exercise all powers and carry out all duties delegated to it by participating local school districts under provisions of the ECSU bylaws. The ECSU board of directors shall be governed, when not otherwise provided, by the provisions of law applicable to independent school districts of the state.

(i) The ECSU board of directors shall submit an annual evaluation report of the effectiveness of programs and services to the school districts and nonpublic school administrative units within the ECSU and the ~~state board of education~~ commissioner by September 1 of each year following the school year in which the program and services were provided.

(j) The ECSU board is encouraged to establish cooperative, working relationships with post-secondary educational institutions in the state.

Sec. 25. Minnesota Statutes 1992, section 123.58, subdivision 7, is amended to read:

Subd. 7. [APPOINTMENT OF AN ADVISORY COUNCIL.] There shall be an advisory council selected to give advice and counsel to the ECSU board of directors. This council shall be composed of superintendents, central office personnel, principals, teachers, parents, and lay persons. Nonpublic school administrative units are encouraged to participate on the council to the extent allowed by law. A plan detailing procedures for selection of membership in this council shall be submitted by the ECSU board of directors to the ~~state board of education~~ commissioner.

Sec. 26. Minnesota Statutes 1992, section 123.58, subdivision 8, is amended to read:

Subd. 8. [EDUCATIONAL PROGRAMS AND SERVICES.] Pursuant to subdivision 6, and rules of the state board of education, the board of directors of each operational ECSU shall submit annually a plan to the public school districts within the ECSU, the nonpublic school administrative units, and the ~~state board of education~~ commissioner. The plan shall identify the programs and services which are suggested for implementation by the ECSU during the following school year and shall contain components of long range planning determined by the ECSU in cooperation with the ~~state board of education~~ commissioner and other appropriate agencies. The ~~state board of education~~ commissioner may review and recommend modification of the proposed plan and conduct ongoing program reviews. These programs and services may include, but are not limited to, the following areas:

- (a) Administrative services and purchasing
- (b) Curriculum development
- (c) Data processing
- (d) Educational television
- (e) Evaluation and research
- (f) In-service training
- (g) Media centers
- (h) Publication and dissemination of materials
- (i) Pupil personnel services
- (j) Regional planning, joint use of facilities, and flexible and year-round school scheduling
- (k) Secondary, post-secondary, community, adult, and adult vocational education
- (l) Individualized instruction and services, including services for students with special talents and special needs
- (m) Teacher personnel services

- (n) Vocational rehabilitation
- (o) Health, diagnostic, and child development services and centers
- (p) Leadership or direction in early childhood and family education
- (q) Community services
- (r) Shared time programs.

Sec. 27. Minnesota Statutes 1992, section 123.58, subdivision 9, is amended to read:

Subd. 9. [FINANCIAL SUPPORT FOR THE EDUCATIONAL COOPERATIVE SERVICE UNITS.] (a) Financial support for ECSU programs and services shall be provided by participating local school districts and nonpublic school administrative units with private, state and federal financial support supplementing as available. The ECSU board of directors may, in each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess and certify to each participating school district and nonpublic school administrative unit its proportionate share of any and all expenses. This share shall be based upon the extent of participation by each district or nonpublic school administrative unit and shall be in the form of a service fee. Each participating district and nonpublic school administrative unit shall remit its assessment to the ECSU board as provided in the ECSU bylaws. The assessments shall be paid within the maximum levy limitations of each participating district. No participating school district or nonpublic school administrative unit shall have any additional liability for the debts or obligations of the ECSU except that assessment which has been certified as its proportionate share or any other liability the school district or nonpublic school administrative unit agrees to assume.

(b) Any property acquired by the ECSU board is public property to be used for essential public and governmental purposes which shall be exempt from all taxes and special assessments levied by a city, county, state or political subdivision thereof. If the ECSU is dissolved, its property must be distributed to the member public school districts at the time of the dissolution.

(c) A school district or nonpublic school administrative unit may elect to withdraw from participation in the ECSU by a majority vote of its full board membership and upon compliance with the applicable withdrawal provisions of the ECSU organizational agreement. Upon receipt of the withdrawal resolution reciting the necessary facts, the ECSU board shall file a certified copy with the ~~state board of education~~ commissioner. The withdrawal shall be effective on the June 30 following receipt by the board of directors of written notification of the withdrawal at least six months prior to June 30. Notwithstanding the withdrawal, the proportionate share of any expenses already certified to the withdrawing school district or nonpublic school administrative unit for the ECSU shall be paid to the ECSU board.

(d) Notwithstanding paragraph (c), if a member school district of an education district withdraws from an ECSU to comply with subdivision 4, the school district's withdrawal is effective on June 30, following receipt by the board of directors of the district's written notification.

(e) The ECSU is a public corporation and agency and its board of directors may make application for, accept and expend private, state and federal funds that are available for programs of educational benefit approved by the ~~state board of education~~ commissioner in accordance with rules adopted by the state board of education pursuant to chapter 14. The ~~state board of education~~ commissioner shall not distribute special state aid or federal aid directly to an ECSU in lieu of distribution to a school district within the ECSU which would otherwise qualify for and be entitled to this aid without the consent of the school board of that district.

(f) The ECSU is a public corporation and agency and as such, no earnings or interests of the ECSU may inure to the benefit of an individual or private entity.

Sec. 28. Minnesota Statutes 1992, section 123.71, subdivision 1, is amended to read:

Subdivision 1. Every school board shall, no later than October 1, publish the revenue and expenditure budgets submitted to the ~~commissioner of education~~ in accordance with section 121.908, subdivision 4, for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the ~~state board of education~~ commissioner after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditures and fund balances shall be published in a qualified newspaper of general circulation in the district.

Sec. 29. Minnesota Statutes 1992, section 123.932, subdivision 7, is amended to read:

Subd. 7. "Intermediary service area" means a school administrative unit approved by the ~~state board of education~~ commissioner, other than a single school district, including but not limited to the following: (a) an educational cooperative service unit; (b) a cooperative of two or more school districts; (c) learning centers; or (d) an association of schools or school districts.

Sec. 30. Minnesota Statutes 1992, section 123.947, is amended to read:

123.947 [USE OF INDIVIDUALIZED INSTRUCTIONAL MATERIALS.]

(a) The ~~department of education~~ commissioner shall assure that textbooks and individualized instructional materials loaned to nonpublic school pupils are secular, neutral, nonideological and that they are incapable of diversion for religious use.

(b) Textbooks and individualized instructional materials shall not be used in religious courses, devotional exercises, religious training or any other religious activity.

(c) Textbooks and individualized instructional materials shall be loaned only to individual pupils upon the request of a parent or guardian or the pupil on a form designated for this use by the ~~department of education~~ commissioner. The request forms shall provide for verification by the parent or guardian or pupil that the requested textbooks and individualized instructional materials are for the use of the individual pupil in connection with a program of instruction in the pupil's elementary or secondary school.

(d) The servicing school district or the intermediary service area shall take adequate measures to ensure an accurate and periodic inventory of all textbooks and individualized instructional materials loaned to elementary and secondary school pupils attending nonpublic schools. The state board of education shall promulgate rules under the provisions of chapter 14 to terminate the eligibility of any nonpublic school pupil if the ~~department of education~~ commissioner determines, after notice and opportunity for hearing, that the textbooks or individualized instructional materials have been used in a manner contrary to the provisions of section 123.932, subdivision 1e, 123.933 or this section or any rules promulgated by the state board of education.

(e) Nothing contained in section 123.932, subdivision 1e, 123.933 or this section shall be construed to authorize the making of any payments to a nonpublic school or its faculty, staff or administrators for religious worship or instruction or for any other purpose.

Sec. 31. Minnesota Statutes 1992, section 124.09, is amended to read:

124.09 [SCHOOL ENDOWMENT FUND, APPORTIONMENT.]

The school endowment fund shall be apportioned semiannually by the ~~state board~~ commissioner, on the first Monday in March and October in each year, to districts whose schools have been in session at least nine months. The apportionment shall be in proportion to the number of pupils in average daily membership during the preceding year; provided, that apportionment shall not be paid to a district for pupils for whom tuition is received by the district.

Sec. 32. Minnesota Statutes 1992, section 124.10, subdivision 1, is amended to read:

Subdivision 1. A copy of the apportionment of the school endowment fund shall be furnished by the ~~state board~~ commissioner to the commissioner of finance, who thereupon shall draw warrants on the state treasury, payable to the several districts, for the amount due each district. There is hereby annually appropriated from the school endowment fund the amount of such apportionments.

Sec. 33. Minnesota Statutes 1992, section 124.14, subdivision 1, is amended to read:

Subdivision 1. The ~~state board~~ commissioner shall supervise distribution of school aids and grants in accordance with law. It may make rules consistent with law for the distribution to enable districts to perform efficiently the services required by law and further education in the state, including reasonable requirements for the reports and accounts to it as will assure accurate and lawful apportionment of aids. State and federal aids and discretionary or entitlement grants distributed by the ~~state board~~ commissioner shall not be subject to the contract approval procedures of the commissioner of administration or to chapter 16A or 16B. The ~~commissioner of education~~ shall adopt internal procedures for administration and monitoring of aids and grants.

Sec. 34. Minnesota Statutes 1992, section 124.14, subdivision 4, is amended to read:

Subd. 4. [FINAL DECISION AND RECORDS.] A reduction of aid under this section may be appealed to the state board of education and its decision shall be final. Public schools shall at all times be open to the inspection of the ~~state board~~ commissioner, and the accounts and records of any district shall be open to inspection by the state auditor, the state board, or the commissioner for the purpose of audits conducted under this section. Each district shall keep for a minimum of three years at least the following: (1) identification of the annual session days held, together with a record of the length of each session day, (2) a record of each pupil's daily attendance, with entrance and withdrawal dates, and (3) identification of the pupils transported who are reported for transportation aid.

Sec. 35. Minnesota Statutes 1992, section 124.17, subdivision 2c, is amended to read:

Subd. 2c. Notwithstanding subdivision 2, in cases when school is in session but pupils are prevented from attending for more than 15 consecutive school days during the regular school year or five consecutive school days during summer school or intersession classes of flexible school year programs, because of epidemic, calamity, weather, fuel shortage, or other justifiable cause, the ~~state board~~ commissioner, upon application, may allow the district to continue to count these pupils in average daily membership. A lawful employees' strike is not a justifiable cause for purposes of this subdivision.

Sec. 36. Minnesota Statutes 1992, section 124.223, subdivision 3, is amended to read:

Subd. 3. [SECONDARY VOCATIONAL CENTERS.] State transportation aid is authorized for transportation to and from a ~~state board~~ commissioner approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center.

Sec. 37. Minnesota Statutes 1992, section 124.2725, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A school district is eligible for cooperation and combination revenue if it has a plan approved by the ~~state board of education~~ commissioner according to section 122.243.

Sec. 38. Minnesota Statutes 1992, section 124.2725, subdivision 13, is amended to read:

Subd. 13. [REVENUE FOR EXTENDED COOPERATION.] If the ~~state board~~ commissioner disapproves of the plan according to section 122.243, subdivision 1, or if a second referendum fails under section 122.243, subdivision 2, cooperation and combination revenue shall equal \$50 times the actual pupil units. Cooperation and combination aid must be reduced by an amount equal to the aid paid under subdivision 6 plus the difference between the aid paid under subdivision 5 for the first two years of the agreement and the aid that would have been paid if the revenue had been \$50 times the actual pupil units. If the aid is insufficient to recover the entire amount, the ~~department of education~~ commissioner shall reduce other aids due the district to recover the entire amount. The cooperation and combination levy shall be reduced by an amount equal to the difference between the levy for the first two years of the agreement and the levy that would have been authorized if the revenue had been \$50 times the actual pupil units. A district that receives revenue under this subdivision may not also receive revenue according to sections 124.2721 and 124.575.

Sec. 39. Minnesota Statutes 1992, section 124.276, subdivision 3, is amended to read:

Subd. 3. [STATE BOARD COMMISSIONER APPROVAL.] The ~~state board~~ commissioner may approve plans and applications for districts throughout the state for career teacher aid. Application procedures and deadlines shall be established by the ~~state board~~ commissioner.

Sec. 40. Minnesota Statutes 1992, section 124.48, subdivision 1, is amended to read:

Subdivision 1. [AWARDS.] The ~~state board~~ commissioner, with the advice and counsel of the Minnesota Indian scholarship committee, may award scholarships to any Minnesota resident student who is of one-fourth or more Indian ancestry, who has applied for other existing state and federal scholarship and grant programs, and who, in the opinion of the ~~board~~ commissioner, has the capabilities to benefit from further education. Scholarships shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray the total cost of education including tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned. The total cost of education includes all tuition and fees for each student enrolling in a public institution and the portion of tuition and fees for each student enrolling in a private institution that does not exceed the tuition and fees at a comparable public institution. Each student shall be awarded a scholarship based on the total cost of the student's education and a standardized need analysis. The amount and type of each scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year the student is eligible for additional scholarships, if additional training is necessary to reach the student's educational and vocational objective. Scholarships may not be given to any Indian student for more than five years of study without special approval of the Minnesota Indian scholarship committee.

Sec. 41. Minnesota Statutes 1992, section 124.573, subdivision 3, is amended to read:

Subd. 3. [COMPLIANCE WITH RULES.] Aid shall be paid under this section only for services rendered or for costs incurred in secondary vocational education programs approved by the ~~state department of education~~ commissioner and operated in accordance with rules promulgated by the ~~state board of education~~. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid. The rules shall not require any minimum number of administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. The ~~state board of education~~ shall not require a school district to offer more than four credits or 560 hours of vocational education course offerings in any school year. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the ~~state board of education~~. Licensed personnel means persons holding a valid secondary vocational license issued by the ~~department of education~~ commissioner, except that when an average of five or fewer secondary full-time equivalent students are enrolled per teacher in an approved post-secondary program at intermediate district No. 287, 916, or 917, licensed personnel means persons holding a valid vocational license issued by the ~~department of education~~ commissioner or the state board for vocational technical education. Notwithstanding section 124.15, the commissioner may modify or withdraw the program or aid approval and withhold aid under this section without proceeding under section 124.15 at any time. To do so, the commissioner must determine that the program does not comply with rules of the state board or that any facts concerning the program or its budget differ from the facts in the district's approved application.

Sec. 42. Minnesota Statutes 1992, section 124.625, is amended to read:

124.625 [VETERANS TRAINING.]

The ~~state board of education~~ commissioner shall continue the veterans training program. All receipts to the veterans training revolving fund for the veterans training program are appropriated to the ~~state board~~ commissioner to pay the necessary expenses of operation of the program. The ~~state board~~ department of education shall act as the state agency for approving educational institutions for purposes of United States Code, title 38, chapter 36, relating to educational benefits for veterans and other persons. The state board may adopt rules to fulfill its obligations as the state approving agency. All federal money received for purposes of the veterans training program shall be deposited in the veterans training revolving fund and is appropriated to the ~~state board~~ department for those purposes.

Sec. 43. Minnesota Statutes 1992, section 124A.27, subdivision 2, is amended to read:

Subd. 2. [STATE ASSISTANCE.] The ~~state board of education and the commissioner of education~~ shall provide assistance to school boards offering the programs enumerated in this section. The ~~state board or commissioner~~ may establish an advisory committee for any program area. Technical assistance shall be provided commensurate with school board and district needs. ~~State board of education~~ rules apply to all programs or portions of programs offered.

Sec. 44. Minnesota Statutes 1992, section 125.185, subdivision 6, is amended to read:

Subd. 6. The ~~state board of education~~ commissioner shall provide all necessary materials and assistance for the transaction of the business of the board of teaching and all moneys received by the board of teaching shall be paid into the state treasury as provided by law. The expenses of administering sections 125.01 to 125.187 which are incurred by the board of teaching shall be paid for from appropriations made to the board of teaching.

Sec. 45. Minnesota Statutes 1992, section 126.151, subdivision 2, is amended to read:

Subd. 2. [ACCOUNTS OF THE ORGANIZATION.] The commissioner and the state boards of education and board of technical colleges may retain dues and other money collected on behalf of students participating in approved vocational student organizations and may deposit the money in separate accounts. The money in these accounts shall be available for expenditures for state and national activities related to specific organizations. Administration of money collected under this section is not subject to the provisions of chapters 15, 16A, and 16B, and may be deposited outside the state treasury. Money shall be administered under the policies of the applicable state board or agency relating to post-secondary and secondary vocational student organizations and is subject to audit by the legislative auditor. Any unexpended money shall not cancel but may be carried forward to the next fiscal year.

Sec. 46. Minnesota Statutes 1992, section 126.239, subdivision 3, is amended to read:

Subd. 3. [SUBSIDY FOR EXAMINATION FEES.] The state may pay all or part of the fee for advanced placement or international baccalaureate examinations for pupils in public and nonpublic schools whose circumstances make state payment advisable. The state board of education commissioner shall adopt a schedule for fee subsidies that may allow payment of the entire fee for low-income families, as defined by the state board commissioner. The state board commissioner may also determine the circumstances under which the fee is subsidized, in whole or in part. The state board commissioner shall determine procedures for state payments of fees.

Sec. 47. Minnesota Statutes 1992, section 126.267, is amended to read:

126.267 [TECHNICAL ASSISTANCE.]

The state board of education commissioner shall provide technical assistance to school districts receiving aid pursuant to section 124.273 and to post-secondary institutions for preservice and in-service training for bilingual education teachers and English as a second language teachers employed in educational programs for limited English proficient students, teaching methods, curriculum development, testing and testing mechanisms, and the development of instructional materials for these educational programs.

Sec. 48. Minnesota Statutes 1992, section 126.52, subdivision 8, is amended to read:

Subd. 8. [TECHNICAL ASSISTANCE.] The state board commissioner shall provide technical assistance to school districts, schools and post-secondary institutions for preservice and in-service training for American Indian education teachers and teacher's aides, teaching methods, curriculum development, testing and testing mechanisms, and the development of materials for American Indian education programs.

Sec. 49. Minnesota Statutes 1992, section 126.52, subdivision 9, is amended to read:

Subd. 9. [APPLICATION FOR FUNDS.] The state board commissioner shall apply for money which may be available under federal programs for American Indian education, including funds for administration, demonstration projects, training, technical assistance, planning and evaluation.

Sec. 50. Minnesota Statutes 1992, section 126.54, subdivision 1, is amended to read:

Subdivision 1. [GRANTS; PROCEDURES.] Each fiscal year the state board of education shall make grants to no fewer than six American Indian language and culture education programs. At least three programs shall be in urban areas and at least three shall be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of American Indian language and culture education programs. Proposals may provide for contracts for the provision of program components by nonsectarian nonpublic, community, tribal, or alternative schools. The state board commissioner shall prescribe the form and manner of application for grants, and no grant shall be made for a proposal not complying with the requirements of sections 126.45 to 126.55. The state board shall submit all proposals to the state advisory task force on American Indian language and culture education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 51. Minnesota Statutes 1992, section 126.56, subdivision 4a, is amended to read:

Subd. 4a. [ELIGIBLE PROGRAMS.] A scholarship may be used only for an eligible program. To be eligible, a program must:

(1) provide, as its primary purpose, academic instruction for student enrichment in curricular areas including, but not limited to, communications, humanities, social studies, social science, science, mathematics, art, or foreign languages;

(2) not be offered for credit to post-secondary students;

(3) not provide remedial instruction;

(4) meet any other program requirements established by the state board of education and the higher education coordinating board; and

(5) be approved by the ~~state board of education~~ commissioner.

Sec. 52. Minnesota Statutes 1992, section 126.56, subdivision 7, is amended to read:

Subd. 7. [ADMINISTRATION.] The ~~state board of education and the higher education coordinating board and commissioner~~ shall determine the time and manner for scholarship applications, awards, and program approval.

Sec. 53. Minnesota Statutes 1992, section 126.665, is amended to read:

126.665 [STATE CURRICULUM ADVISORY COMMITTEE.]

The ~~commissioner~~ state board shall appoint a state curriculum advisory committee of 11 members to advise ~~the state board~~ it and the department on the PER process. Nine members shall be from each of the educational cooperative service units and two members shall be at-large. The committee shall include representatives from the state board of education, higher education, parents, teachers, administrators, business, and school board members. ~~Each member shall be a present or past member of a district curriculum advisory committee.~~ The state committee shall provide information and recommendations about at least the following:

(1) department procedures for reviewing and approving reports and disseminating information;

(2) exemplary PER processes;

(3) recommendations for improving the PER process and reports; and

(4) developing a continuous process for identifying and attaining essential learner outcomes.

The committee expires as provided in section 15.059, subdivision 5.

Sec. 54. Minnesota Statutes 1992, section 126A.07, subdivision 1, is amended to read:

Subdivision 1. [COOPERATION AND SUPPORT.] The director shall cooperate with and support the environmental education program developed by the state board ~~of education~~ and the ~~department of education~~ commissioner.

Sec. 55. Minnesota Statutes 1992, section 128A.024, subdivision 2, is amended to read:

Subd. 2. [VARIOUS LEVELS OF SERVICE.] The academies must provide their pupils with the levels of service defined in ~~state board~~ rules of the state board.

## ARTICLE 14

## REFERENCES TO REPEALED LAW

Section 1. Minnesota Statutes 1992, section 6.65, is amended to read:

6.65 [MINIMUM PROCEDURES FOR AUDITORS, PRESCRIBED.]

The state auditor shall prescribe minimum procedures and the audit scope for auditing the books, records, accounts, and affairs of local governments in Minnesota. The minimum scope for audits of all local governments must include financial and legal compliance audits for fiscal years ending after January 15, 1984. Audits of all school districts shall include a determination of compliance with uniform financial accounting and reporting standards adopted by the state board of education according to section 121.902, subdivision 1. The state auditor shall establish a task force to promulgate an audit guide for legal compliance audits. The task force must include representatives of the state auditor, the attorney general, towns, cities, counties, school districts, and private sector public accountants.

Sec. 2. Minnesota Statutes 1992, section 89.35, subdivision 2, is amended to read:

Subd. 2. [PURPOSE OF PLANTING.] The purposes for which trees may be produced, procured, distributed, and planted under sections 89.35 to 89.39 shall include auxiliary forests, woodlots, windbreaks, shelterbelts, erosion control, soil conservation, water conservation, provision of permanent food and cover for wild life, environmental education, and afforestation and reforestation on public or private lands of any kind, but shall not include the raising of fruit for human consumption or planting for purely ornamental purposes other than in connection with an environmental education program as provided in section 126.111. It is hereby declared that all such authorized purposes are in furtherance of the public health, safety, and welfare.

Sec. 3. Minnesota Statutes 1992, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE DISABLED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota state academy for the deaf or the Minnesota state academy for the blind shall be determined in the following manner:

- (a) The legal residence of the child shall be the school district in which the child's parent or guardian resides.
- (b) When it is determined pursuant to section 128A.05, subdivision 1 or 2, that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the cost of providing the program. The amount of tuition charged shall not exceed the basic revenue of the district for that child, for the amount of time the child is in the program. For purposes of this subdivision, "basic revenue" has the meaning given it in section 124A.22, subdivision 2. The district of the child's residence shall pay the tuition and may claim general education aid for the child. ~~The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision.~~ Tuition received by the state board, except for tuition received under clause (c), shall be deposited in the state treasury as provided in clause (g).
- (c) In addition to the tuition charge allowed in clause (b), the academies may charge the child's district of residence for the academy's unreimbursed cost of providing an instructional aide assigned to that child, if that aide is required by the child's individual education plan. Tuition received under this clause must be used by the academies to provide the required service.
- (d) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for children with a disability shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law.

(e) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (d) for providing appropriate educational programs to pupils attending the applicable school.

(f) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to supply staff from the Minnesota state academy for the deaf and the Minnesota state academy for the blind to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

(g) On May 1 of each year, the state board shall count the actual number of Minnesota resident kindergarten and elementary students and the actual number of Minnesota resident secondary students enrolled and receiving education services at the Minnesota state academy for the deaf and the Minnesota state academy for the blind. The state board shall deposit in the state treasury an amount equal to all tuition received less:

(1) the total number of students on May 1 less 175, times the ratio of the number of kindergarten and elementary students to the total number of students on May 1, times the general education formula allowance; plus

(2) the total number of students on May 1 less 175, times the ratio of the number of secondary students on May 1 to the total number of students on May 1, times 1.3, times the general education formula allowance.

(h) The sum provided by the calculation in clause (g), subclauses (1) and (2), must be deposited in the state treasury and credited to the general operation account of the academy for the deaf and the academy for the blind.

(i) There is annually appropriated to the department of education for the Faribault academies the tuition amounts received and credited to the general operation account of the academies under this section. A balance in an appropriation under this paragraph does not cancel but is available in successive fiscal years.

Sec. 4. Minnesota Statutes 1992, section 121.11, subdivision 5, is amended to read:

Subd. 5. [UNIFORM SYSTEM OF RECORDS AND OF ACCOUNTING.] The state board shall prepare a uniform system of records for public schools, require reports from superintendents and principals of schools, teachers, school officers, and the chief officers of public and other educational institutions, to give such facts as it may deem of public value. Beginning in fiscal year 1977, all reports required of school districts by the state board shall be in conformance with the uniform financial accounting and reporting system adopted pursuant to section 121.902. With the cooperation of the state auditor, the state board shall establish and carry into effect a uniform system of accounting by public school officers and it shall have authority to supervise and examine the accounts and other records of all public schools.

Sec. 5. Minnesota Statutes 1992, section 121.908, subdivision 6, is amended to read:

Subd. 6. A school district providing early retirement incentive payments under section 125.611, severance pay under section 465.72, or health insurance benefits to retired employees under section 471.61, must account for the payments according to uniform financial accounting and reporting standards adopted for Minnesota school districts pursuant to section 121.902.

Sec. 6. Minnesota Statutes 1992, section 121.932, subdivision 3, is amended to read:

Subd. 3. [EXEMPTION FROM CHAPTER 14.] ~~Except as provided in section 121.931, subdivision 8,~~ The annual data acquisition calendar and the essential data elements are exempt from the administrative procedure act but, to the extent authorized by law to adopt rules, the board may use the provisions of section 14.38, subdivisions 5 to 9.

Sec. 7. Minnesota Statutes 1992, section 123.71, subdivision 1, is amended to read:

Subdivision 1. Every school board shall, no later than October 1, publish the revenue and expenditure budgets ~~submitted to the commissioner of education in accordance with section 121.908, subdivision 4,~~ for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the state board of education after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditures and fund balances shall be published in a qualified newspaper of general circulation in the district.

Sec. 8. Minnesota Statutes 1992, section 124.155, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT TO AIDS.] (a) The amount specified in subdivision 1 shall be used to adjust the following state aids and credits in the order listed:

- (1) general education aid authorized in sections 124A.23 and 124B.20;
- (2) secondary vocational aid authorized in section 124.573;
- (3) special education aid authorized in section 124.32;
- (4) secondary vocational aid for children with a disability authorized in section 124.574;
- (5) aid for pupils of limited English proficiency authorized in section 124.273;
- (6) transportation aid authorized in section 124.225;
- (7) community education programs aid authorized in section 124.2713;
- (8) adult education aid authorized in section 124.26;
- (9) early childhood family education aid authorized in section 124.2711;
- (10) capital expenditure aid authorized in sections 124.243, 124.244, and 124.83;
- (11) ~~education district aid according to section 124.2721;~~
- (12) secondary vocational cooperative aid according to section 124.575;
- (13) (12) assurance of mastery aid according to section 124.311;
- (14) (13) individual learning and development aid according to section 124.331;
- (15) (14) homestead credit under section 273.13 for taxes payable in 1989 and additional transition credit under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- (16) (15) agricultural credit under section 273.132 for taxes payable in 1989 and additional transition credit under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- (17) (16) homestead and agricultural credit aid and disparity reduction aid authorized in section 273.1398, subdivision 2;
- (18) (17) attached machinery aid authorized in section 273.138, subdivision 3; and
- (19) (18) alternative delivery aid authorized in section 124.322.

(b) The commissioner of education shall schedule the timing of the adjustments to state aids and credits specified in subdivision 1, as close to the end of the fiscal year as possible.

Sec. 9. Minnesota Statutes 1992, section 124.195, subdivision 8, is amended to read:

Subd. 8. [PAYMENT PERCENTAGE FOR REIMBURSEMENT AIDS.] One hundred percent of the aid for the last fiscal year must be paid for the following aids: ~~special education residential aid according to section 124.32, subdivision 5;~~ special education pupil aid according to section 124.32, subdivision 6; special education summer school aid, according to section 124.32, subdivision 10; and planning, evaluating, and reporting process aid according to section 124.274.

Sec. 10. Minnesota Statutes 1992, section 124.2711, subdivision 2, is amended to read:

Subd. 2. [POPULATION.] For the purposes of subdivision 1, data reported to the department of education ~~according to the provisions of section 120.095~~ may be used to determine the number of people under five years of age residing in the district. The commissioner, with the assistance of the state demographer, shall review the number reported by any district operating an early childhood family education program. If requested, the district shall submit to the commissioner an explanation of its methods and other information necessary to document accuracy. If the commissioner determines that the district has not provided sufficient documentation of accuracy, the commissioner may request the state demographer to prepare an estimate of the number of people under five years of age residing in the district and may use this estimate for the purposes of subdivision 1.

Sec. 11. Minnesota Statutes 1992, section 124.322, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF ALTERNATIVE DELIVERY REVENUE.] For the first fiscal year after approval of an application, a district shall receive the sum of the revenue it received for the preceding fiscal year for its special education program under section 124.32, subdivisions 1b, 2, 5, and 10, and Minnesota Statutes 1990, section 275.125, subdivision 8c, or section 124.321, subdivisions 1 and 2, as applicable, multiplied by 1.03. For each of the next two fiscal years, the district shall receive the amount it received for the previous fiscal year multiplied by 1.03.

Sec. 12. Minnesota Statutes 1992, section 124.322, subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE DELIVERY AID.] For the first fiscal year after approval of an application, a district shall receive the sum of the aid it received for the preceding fiscal year under section 124.32, subdivisions 1b, 2, 5, and 10, multiplied by 1.03. The aid for the first year of revenue shall not be prorated. For each of the next two fiscal years, the district shall receive the amount of aid it received for the previous fiscal year multiplied by 1.03. A district that receives aid under this subdivision shall not receive aid under section 124.32, subdivisions 1b, 2, 5, and 10, for the same fiscal year.

Sec. 13. Minnesota Statutes 1992, section 126.54, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL REQUIREMENTS.] Each school district receiving a grant under this section shall each year conduct a count of American Indian children in the schools of the district; test for achievement; identify the extent of other educational needs of the children to be enrolled in the American Indian language and culture education program; and classify the American Indian children by grade, level of educational attainment, age and achievement. ~~This count may be part of the school census required pursuant to section 120.095.~~ Participating schools shall maintain records concerning the needs and achievements of American Indian children served.

Sec. 14. Minnesota Statutes 1992, section 127.20, is amended to read:

127.20 [VIOLATIONS; PENALTIES.]

Any person who fails or refuses to provide for instruction of a child of whom the person has legal custody, and who is required by section 120.101, subdivision 5, ~~or by a policy adopted under section 120.101, subdivision 5a,~~ to receive instruction, when notified so to do by a truant officer or other official, or any person who induces or attempts to induce any such child unlawfully to be absent from school, or who knowingly harbors or employs, while school is in session, any child unlawfully absent from school, shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than \$50, or by imprisonment for not more than 30 days. All fines, when collected, shall be paid into the county treasury for the benefit of the school district in which the offense is committed.

Sec. 15. Minnesota Statutes 1992, section 136C.04, subdivision 6, is amended to read:

Subd. 6. [ACCOUNTING AND REPORTING STANDARDS.] The state board shall maintain the uniform financial accounting and reporting system according to the provisions of sections ~~121.90~~ 121.904 to 121.917, ~~except that reports required by section 121.908 must be submitted to the state board on dates determined by the state board.~~ All expenditures and revenue related to summer session credit courses must be recognized in the fiscal year in which the course begins.

## Sec. 16. [INSTRUCTIONS TO REVISOR.]

(a) In the next edition of Minnesota Statutes, the revisor must, in the section or subdivision listed in column A, delete the reference listed in column B.

<u>Column A</u>	<u>Column B</u>
<u>121.904, subd. 4a</u>	<u>124.2721, subd. 3</u>
<u>121.904, subd. 4e</u>	<u>124.2721</u>
<u>121.904, subd. 4e</u>	<u>124.2721, subd. 3</u>
<u>124.155, subd. 1</u>	<u>124.912, subd. 5</u>
<u>124.2725, subd. 13</u>	<u>124.2721</u>
<u>273.1398, subd. 6</u>	<u>124.2721</u>
<u>274.20, subd. 2</u>	<u>124.2721</u>

(b) In the next edition of Minnesota Statutes, the revisor must, in the section or subdivision listed in column A, change the reference listed in column B to the reference listed in column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>16B.43</u>	<u>121.937</u>	<u>121.936</u>
<u>120.064, subd. 8</u>	<u>121.901</u>	<u>121.904</u>
<u>121.93, subd. 1</u>	<u>121.937</u>	<u>121.936</u>
<u>121.931, subd. 1</u>	<u>121.937</u>	<u>121.936</u>
<u>121.935, subd. 1</u>	<u>121.937</u>	<u>121.936</u>
<u>121.935, subd. 2</u>	<u>121.90</u>	<u>121.904</u>
<u>121.936, subd. 4a</u>	<u>121.90</u>	<u>121.904</u>
<u>124.14, subd. 2</u>	<u>121.90</u>	<u>121.904</u>
<u>126.269</u>	<u>126.268</u>	<u>126.267</u>

## Sec. 17. [REPEALER.]

Minnesota Statutes 1992, sections 121.93, subdivision 5; 124.195, subdivision 13; and 128B:03, subdivision 2, are repealed.

## ARTICLE 15

Section 1. Minnesota Statutes 1992, section 124A.029, subdivision 4, is amended to read:

Subd. 4. [PER PUPIL REVENUE OPTION.] A district may, by school board resolution, request that the department convert the levy authority under section 124.912, subdivisions 2 and 3, or its current referendum revenue, excluding authority based on a dollar amount, authorized before July 1, 1991 1993, to an allowance per pupil. The district must adopt a resolution and submit a copy of the resolution to the department by July 1, 1992 1993. The department shall convert a district's revenue for fiscal year 1994 1995 and later years as follows: the revenue allowance equals the amount determined by dividing the district's maximum revenue under section 124A.03 or 124.912, subdivisions 2 and 3, for fiscal year 1993 1994 by the district's 1992-1993 1993-1994 actual pupil units. A district's maximum revenue for all later years for which the revenue is authorized equals the revenue allowance times the district's actual pupil units for that year. If a district has referendum authority under section 124A.03 and levy authority under section 124.912, subdivisions 2 and 3, and the district requests that each be converted, the department shall convert separate revenue allowances for each. However, if a district's referendum revenue is limited to a dollar amount, the maximum revenue under section 124A.03 must not exceed that dollar amount. If the referendum authority of a district is converted according to this subdivision, the authority expires July 1, 1997 June 30, 1997, unless it is scheduled to expire sooner.

## Sec. 2. [DECLINING PUPIL UNIT AID.]

(a) For fiscal year 1994 only, a school district is eligible for declining pupil unit aid equal to the greater of zero or the result of the following computation:

(1) add 77 percent of the district's actual pupil units for fiscal year 1994 and 23 percent of the district's actual pupil units for fiscal year 1993;

(2) subtract from the amount calculated in clause (1) the district's actual pupil units for fiscal year 1994; and

(3) multiply the amount determined in clause (2) by the basic formula allowance for that year.

(b) The aid amount calculated under paragraph (a) is available from the general education appropriation under article 1, section 41, subdivision 2, to the department of education for payment of declining pupil unit aid.

Sec. 3. [FISCAL YEAR 1996 AND FISCAL YEAR 1997 APPROPRIATIONS.]

The appropriations for the 1996-1997 biennium for programs contained in this bill will be \$2,770,488,000 for fiscal year 1996 and \$2,953,102,000 for fiscal year 1997, plus or minus any adjustments due to variance in pupil forecasts, levies or other factors generating entitlements for the general revenue program established in Minnesota Statutes, section 124A.04. These amounts will first be allocated to fully fund the general revenue program. Amounts remaining will be allocated to other programs in proportion to the fiscal year 1995 appropriations or the entitlements generated by existing law for those programs for each year, up to the amount of the entitlement or the fiscal year 1995 appropriations. Any amounts remaining after allocation to these other programs may be maintained in a reserve account pending recommendations of the governor and legislature in the 1995 session.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; prekindergarten through grade 12; providing for general education revenue; transportation; special programs; community programs; facilities; organization and cooperation; commitment to excellence; other education programs; miscellaneous provisions; libraries; state agencies; and realignment of responsibilities; mandate repeals; conforming references to repealed law; appropriating money; amending Minnesota Statutes 1992, sections 3.873, subdivisions 4, 5, 6, 7, and 9; 6.65; 89.35, subdivision 2; 120.06, subdivision 3; 120.062, subdivisions 5 and 9; 120.0621; 120.064, subdivisions 1, 3, 4, 5, 8, 9, 11, 16, 18, 21, and by adding a subdivision; 120.0751; 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 120.17, subdivisions 2, 3, 7a, 11a, 11b, 12, 14, 15, and by adding subdivisions; 120.73, subdivision 1; 120.75; 121.11, subdivisions 5, 7, 12, and by adding subdivisions; 121.14; 121.15, subdivision 4; 121.16, subdivision 1, and by adding a subdivision; 121.201, subdivision 1; 121.585, subdivision 2; 121.612, subdivisions 2 and 4; 121.831; 121.88; subdivisions 1 and 7; 121.882, subdivision 2b; 121.904, subdivisions 4a and 14; 121.906; 121.908, subdivisions 1, 2, and 6; 121.912, subdivision 6, and by adding a subdivision; 121.9121, subdivisions 1, 2, and 4; 121.931, subdivision 5; 121.932, subdivision 3; 121.935, subdivisions 2 and 5; 121.936, subdivisions 4 and 4a; 122.22, by adding a subdivision; 122.23, subdivision 18, and by adding a subdivision; 122.241, subdivision 3; 122.242, subdivision 9; 122.243, subdivisions 1 and 2; 122.247, subdivision 3; 122.895, subdivision 2, and by adding subdivisions; 123.33, by adding a subdivision; 123.34, subdivisions 9 and 10; 123.35, subdivisions 1 and 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 5, 6, 6b, 6c, and 8; 123.36, by adding a subdivision; 123.39, by adding subdivisions; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, 4, and 5; 123.7045; 123.71, subdivision 1; 123.80, subdivision 1; 123.932, subdivision 7; 123.935, subdivision 7; 123.947; 123.951; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1 and 4; 124.155, subdivision 2; 124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 1, 4, and 5; 124.195, subdivisions 8, 9, and 10; 124.2131, subdivision 1; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, 7e, and 10; 124.226, subdivisions 3, 9, and by adding a subdivision; 124.243, subdivisions 1, 2, 2a, 6, 8, and by adding a subdivision; 124.244, subdivision 1; 124.245, subdivision 6; 124.248, subdivision 4; 124.26, subdivisions 1c and 2; 124.2601, subdivisions 4 and 6; 124.2615, subdivisions 2 and 3; 124.2711, subdivisions 1, 2, 2a, and by adding a subdivision; 124.2713, subdivisions 2, 5, 6, and by adding subdivisions; 124.2714; 124.2716; 124.2725, subdivisions 1, 2, 4, 5, 6, 9, 10, and 13; 124.2727; 124.273, subdivision 1b, and by adding a subdivision; 124.276, subdivision 3; 124.32, subdivisions 1b, 1d, and by adding subdivisions; 124.321, subdivisions 1 and 2; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.37; 124.38, by adding a subdivision; 124.431, subdivisions 1, 1a, 2, and 14; 124.48, subdivisions 1 and 3; 124.494, subdivisions 1, 2, and by adding a subdivision; 124.573, subdivision 2b; 124.574, subdivision 2b, and by adding subdivisions; 124.625; 124.73, subdivision 1; 124.83, subdivisions 1, 2, 4, 6, and by adding a subdivision; 124.85, subdivisions 1, 4, and 5; 124.91, subdivisions 3 and 5; 124.912, subdivisions 2, 3, and by adding a subdivision; 124.914, by adding a subdivision; 124.916, subdivisions 2 and 3; 124.95, subdivisions 1, 2, 2a, and 3; 124.961; 124A.029, subdivision 4; 124A.03, subdivisions 1c, 1f, 1g, and by adding a subdivision; 124A.036, subdivision 5; 124A.04, subdivision 2; 124A.22, subdivisions 2, 4, 5, 6, 8, and 9; 124A.23, subdivisions 1 and 5; 124A.24; 124A.26, subdivision 1, and by adding a subdivision; 124A.27, subdivision 2; 124A.291; 124A.70; 124C.08, subdivisions 1 and 2; 124C.09; 125.032, subdivision 2; 125.05, subdivision 1a; 125.12, subdivisions 3b and 4b; 125.138; 125.17, subdivisions 2b and 3b; 125.185, subdivisions 4 and 6; 125.1885, subdivision 3; 125.189; 126.151, subdivision 2; 126.22, subdivisions 2, 3, 3a, 4, and 8; 126.239, subdivision 3; 126.267; 126.52, subdivisions 8

and 9; 126.54, subdivisions 1 and 3; 126.56, subdivisions 4a and 7; 126.665; 126.67, subdivision 8; 126.70; 126A.07, subdivision 1; 127.15; 127.20; 127.455; 127.46; 128A.024, subdivision 2; 128A.03, subdivision 2; 128B.10, subdivision 1; 128C.02, by adding a subdivision; 134.31, subdivisions 1, 2, and 5; 134.32, subdivision 8; 136C.04, subdivision 6; 144.29; 144.4165; 171.29, subdivision 2; 273.13, subdivision 23; 273.1398, subdivisions 1 and 2a; 275.065, subdivision 6; 275.48; 298.28, subdivision 4; 471.88, by adding a subdivision; 473F.02, by adding a subdivision; 475.61, subdivision 3; and 609.685, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 4; 121; 124; 124A; 124C; 125; 126; and 128A; repealing Minnesota Statutes 1992, sections 120.095; 120.101, subdivisions 5a and 5b; 120.75, subdivision 2; 120.80, subdivision 2; 121.11, subdivisions 6, 13, 15, and 16; 121.165; 121.19; 121.49; 121.585, subdivision 3; 121.609; 121.883; 121.90; 121.901; 121.902; 121.904, subdivisions 5, 6, 8, 9, 10, 11a, and 11c; 121.908, subdivision 4; 121.9121, subdivisions 3 and 5; 121.93, subdivision 5; 121.931, subdivisions 6, 6a, 7, and 8; 121.934; 121.936, subdivisions 1, 2, and 3; 121.937; 121.94; 121.941; 121.942; 121.943; 123.33, subdivisions 10, 14, 15, and 16; 123.35, subdivision 14; 123.352; 123.36, subdivisions 2, 3, 4, 4a, 6, 8, 9, and 12; 123.40, subdivisions 4 and 6; 123.61; 123.67; 123.709; 123.744; 124.19, subdivisions 1, 1b, 6, and 7; 124.195, subdivision 13; 124.2721; 124.2725, subdivision 8; 124.32, subdivision 5; 124.331; 124.332; 124.333; 124.573, subdivisions 2c and 2d; 124.575, subdivisions 2 and 4; 124.615; 124.62; 124.64; 124.645; 124.67; 124.68; 124.69; 124.79; 124.912, subdivisions 4 and 5; 124A.27, subdivision 1; 125.12, subdivisions 3a and 4a; 125.17, subdivisions 2a and 3a; 125.185, subdivision 4a; 126.02; 126.025; 126.031; 126.06; 126.08; 126.09; 126.111; 126.112; 126.12, subdivision 2; 126.20, subdivision 4; 126.22, subdivision 2a; 126.24; 126.268; 126.662; 126.663; 126.664; 126.665; 126.666; 126.67; 126.68; 126A.01; 126A.02; 126A.03; 126A.04; 126A.05; 126A.07; 126A.08; 126A.09; 126A.10; 126A.11; 126A.12; 128B.03, subdivision 2; and 145.926."

We request adoption of this report and repassage of the bill.

House Conferees: KATHLEEN VELLENGA, BECKY KELSO, GERALD J. "JERRY" BAUERLY, LYNDON R. CARLSON AND LEROY KOPPENDRAYER.

Senate Conferees: LAWRENCE J. POGEMILLER, JANE KRENTZ, SANDRA L. PAPPAS, TRACY L. BECKMAN AND JERRY R. JANEZICH.

Vellenga moved that the report of the Conference Committee on H. F. No. 350 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 350, A bill for an act relating to education; prekindergarten through grade 12; providing for general education; transportation; special programs; early childhood, community, and adult education; facilities; organization and cooperation; access to excellence; other education programs; miscellaneous provisions; choice programs; libraries; state agencies; and realignment of responsibilities; making conforming changes; appropriating money; amending Minnesota Statutes 1992, sections 3.873, subdivisions 4, 5, 6, 7, and 9; 120.06, subdivision 3; 120.062, subdivision 5, and by adding a subdivision; 120.0621; 120.064, subdivisions 3, 4, and 16; 120.0751, subdivisions 1, 2, 3, and 4; 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 120.17, subdivision 7a; 120.73, subdivision 1; 120.75; 121.15, subdivision 4; 121.16, subdivision 1; 121.201, subdivision 1; 121.585, subdivision 8; 121.612, subdivisions 2 and 4; 121.831; 121.88, subdivision 8; 121.882, subdivision 2b; 121.901, subdivisions 1 and 2; 121.902; 121.904, subdivisions 4a, 4e, and 14; 121.912, subdivision 6, and by adding a subdivision; 121.9121; 121.914, subdivision 3; 121.934, subdivision 1; 121.935, subdivisions 2 and 5; 121.936; 122.22, by adding a subdivision; 122.242, subdivision 9; 122.531, subdivision 4a; 122.895, subdivision 2, and by adding subdivisions; 123.34, subdivision 9; 123.35, subdivision 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 5, 6, 6b, 6c, and 8; 123.36, by adding a subdivision; 123.39, by adding a subdivision; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, and 4; 123.7045; 123.71, subdivision 1; 123.932, subdivision 7; 123.935, subdivision 7; 123.947; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1 and 4; 124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 1 and 4; 124.195, subdivisions 8 and 9; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, and 7e; 124.226, subdivisions 1, 3, 9, and by adding a subdivision; 124.243, subdivisions 1, 2, 2a, 6, and 8; 124.248, subdivision 4; 124.26, subdivision 2; 124.2601, subdivisions 4 and 6; 124.261, subdivision 1; 124.2615, subdivisions 2 and 3; 124.2711, subdivision 1; 124.2714; 124.2721, subdivisions 1 and 3; 124.2725, subdivisions 2, 4, 5, 6, 10, and 13; 124.273, by adding a subdivision; 124.276, subdivision 3; 124.32, subdivision 1d; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.332, subdivision 2; 124.37; 124.38, by adding a subdivision; 124.431, subdivisions 1, 1a, 2, and 14; 124.48, subdivisions 1 and 3; 124.494, subdivisions 1, 2, and by adding a subdivision; 124.573, subdivision 3; 124.574, by adding a subdivision; 124.625; 124.64; 124.645, subdivisions 1 and 2; 124.69, subdivision 1; 124.73, subdivision 1; 124.79; 124.83, subdivisions 1, 2, 4, 6, and by adding

a subdivision; 124.84, subdivision 3; 124.91, subdivision 3; 124.912, subdivisions 2 and 3; 124.95, subdivisions 1, 2, 2a, and 3; 124.961; 124A.03, subdivision 1c, and by adding a subdivision; 124A.22, subdivisions 2, 4, 5, 6, 8, and 9; 124A.23, subdivision 1; 124A.26, subdivision 1, and by adding a subdivision; 124A.27, subdivision 2; 124A.29, subdivision 1; 124A.70; 124A.72; 124C.08, subdivision 1; 125.05, subdivision 1a; 125.185, subdivisions 4 and 6; 125.1885, subdivision 3; 125.189; 126.151, subdivision 2; 126.22, subdivisions 2, 3, 3a, and 4; 126.239, subdivision 3; 126.267; 126.268, subdivision 2; 126.52, subdivisions 8 and 9; 126.54, subdivision 1; 126.56, subdivisions 4a and 7; 126.665; 126.67, subdivision 8; 126.70, subdivision 2a; 126A.07, subdivision 1; 127.15; 127.455; 127.46; 128A.024, subdivision 2; 128A.03, subdivision 2; 128C.02, by adding a subdivision; 129C.10, subdivision 1, and by adding a subdivision; 134.31, subdivisions 1, 2, and 5; 134.32, subdivision 8; 145A.10, subdivision 5; 256E.03, by adding subdivisions; 256E.08, subdivision 1; 256E.09, subdivision 2, and by adding a subdivision; 275.48; 473F.02, by adding a subdivision; and 475.61, subdivision 3; Laws 1991, chapters 256, article 8, section 14, as amended; 265, articles 1, section 30; and 2, section 19, subdivision 2; and Laws 1992, chapters 499, article 8, section 33; 571, article 10, section 29; proposing coding for new law in Minnesota Statutes, chapters 4; 121; 124; 124A; 124C; 125; 126; 128A; repealing Minnesota Statutes 1992, sections 120.0621, subdivision 5; 121.87; 124.197; 124.2721, subdivisions 2 and 4; 124.32, subdivision 5; 124.615; 124.62; 125.703; 126.22, subdivision 2a; 145.926; and Laws 1988, chapter 486, section 59.

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.

Pursuant to rule 2.05, Pawlenty requested that he be excused from voting on the final passage of H. F. No. 350, as amended by Conference. The request was granted.

There were 105 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dauner	Hasskamp	Kelso	Neary	Peterson	Tomassoni
Anderson, R.	Dauids	Haukoos	Klinzing	Nelson	Reding	Tompkins
Battaglia	Dawkins	Hausman	Koppendrayner	Ness	Rice	Trimble
Bauerly	Dehler	Holsten	Krueger	Olson, E.	Rodosovich	Tunheim
Beard	Delmont	Hugoson	Lasley	Olson, K.	Rukavina	Vellenga
Bergson	Dempsey	Huntley	Lieder	Olson, M.	Sarna	Vickerman
Bertram	Dorn	Jacobs	Lourey	Onnen	Sekhon	Wagenius
Bettermann	Evans	Jaros	Lynch	Opatz	Skoglund	Waltman
Bishop	Farrell	Jefferson	Macklin	Orenstein	Smith	Weaver
Brown, C.	Frerichs	Jennings	Mariani	Orfield	Solberg	Wejzman
Brown, K.	Girard	Johnson, A.	Molnau	Osthoff	Sparby	Welle
Carlson	Goodno	Johnson, R.	Morrison	Ostrom	Stanius	Wenzel
Carruthers	Greenfield	Johnson, V.	Mosel	Ozment	Steensma	Winter
Clark	Gruenes	Kahn	Munger	Pelowski	Sviggum	Worke
Cooper	Gutknecht	Kalis	Murphy	Perlt	Swenson	Spk. Long

Those who voted in the negative were:

Abrams	Erhardt	Kinkel	Limmer	McCollum	Pugh	Simoneau
Asch	Garcia	Knickerbocker	Lindner	McGuire	Rest	Van Dellen
Blatz	Greiling	Krinkie	Luther	Milbert	Rhodes	Wolf
Commers	Kelley	Leppik	Mahon	Pauly	Seagren	Workman

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 931

A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 931, 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. 931 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 239.791, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM OXYGEN CONTENT REQUIRED.] A person responsible for the product shall comply with the following requirements:

(a) After October 31, 1992, 1993, gasoline sold or offered for sale in a carbon monoxide control area, and during a carbon monoxide control period, must contain at least ~~two~~ 2.7 percent oxygen by weight.

(b) After October 31, 1995, gasoline sold or offered for sale at any time in a carbon monoxide control area must contain at least ~~two~~ 2.7 percent by oxygen by weight.

(c) After October 31, 1997, all gasoline sold or offered for sale in Minnesota must contain at least ~~two~~ 2.7 percent oxygen by weight.

Sec. 2. Minnesota Statutes 1992, section 273.1399, is amended by adding a subdivision to read:

Subd. 6. [EXEMPTION; ETHANOL PROJECTS.] The provisions of this section do not apply to a tax increment financing district that satisfies all of the following requirements:

(1) The district is an economic development district, that qualifies under section 469.176, subdivision 4c, paragraph (a), clause (1).

(2) The facility is certified by the commissioner of revenue to qualify for state payments for ethanol development under section 41A.09 to the extent funds are available.

(3) Increments from the district are used only to finance the qualifying ethanol development project located in the district or to pay for administrative costs of the district.

(4) The district is located outside of the seven-county metropolitan area, as defined in section 473.121.

(5) The tax increment financing plan was approved by a resolution of the county board.

(6) The total amount of increment for the district does not exceed \$1,000,000.

Sec. 3. [REPEALER.]

Minnesota Statutes 1992, section 239.791, subdivision 2, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Section 2 is effective beginning for state aid paid in 1994."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections" and delete "subdivisions" and insert "subdivision"

Page 1, line 5, delete "and 2" and insert "; and 273.1399, by adding a subdivision; repealing Minnesota Statutes 1992, section 239.791, subdivision 2"

We request adoption of this report and repassage of the bill.

House Conferees: DOUG PETERSON, DEE LONG AND ANN H. REST.

Senate Conferees: JOE BERTRAM, SR., STEVEN MORSE AND CAL LARSON.

Peterson moved that the report of the Conference Committee on H. F. No. 931 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 931, A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

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 130 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Murphy	Reding	Trimble
Anderson, I.	Dehler	Hugoson	Lasley	Neary	Rest	Tunheim
Anderson, R.	Delmont	Huntley	Leppik	Nelson	Rhodes	Van Dellen
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rodosovich	Vellenga
Bauerly	Dorn	Jaros	Limmer	Olson, E.	Rukavina	Vickerman
Bergson	Erhardt	Jefferson	Lindner	Olson, K.	Sarna	Wagenius
Bertram	Evans	Jennings	Lourey	Olson, M.	Seagren	Waltman
Bettermann	Farrell	Johnson, A.	Luther	Onnen	Sekhon	Weaver
Bishop	Frerichs	Johnson, R.	Lynch	Opatz	Simoneau	Wejzman
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Skoglund	Welle
Brown, C.	Girard	Kahn	Mahon	Orfield	Smith	Wenzel
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Selberg	Winter
Carlson	Greenfield	Kelley	McCollum	Ostrom	Sparby	Wolf
Carruthers	Greiling	Kelso	McGuire	Ozment	Stanius	Worke
Clark	Gruenes	Kinkel	Milbert	Pauly	Stensma	Workman
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Sviggum	Spk. Long
Cooper	Hasskamp	Knickerbocker	Morrison	Pelowski	Swenson	
Dauner	Haukoos	Koppendraye	Mosel	Peterson	Tomassoni	
Davids	Hausman	Krinkie	Munger	Pugh	Tompkins	

Those who voted in the negative were:

Asch	Beard	Perlt
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The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 454

A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 454, 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. 454 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, 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 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 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) prepare an annual report to the legislature estimating, and to the extent possible, describing the number of Minnesota companies which have left the state or moved to surrounding states or other countries. The report should include an estimate of the number of jobs lost by these moves, an estimate of the total employment payroll, average hourly wage of those jobs lost and those created in the new location, and to the extent possible, the reasons for each company moving out of state, if known;

(16) 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

(17) 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; and

(18) prepare, as part of biennial budget process with an annual interim summary for the legislature, performance measures for each business loan or grant program within the jurisdiction of the commissioner. Measures would include source of funds for each program, numbers of jobs proposed or promised at the time of application and the number of jobs created, estimated number of jobs retained, the average salary and benefits for the jobs resulting from the program, estimated number of jobs displaced, if any, and the number of projects approved.

## Sec. 2. [116].581] [COMPETITIVENESS TASK FORCE.]

Subdivision 1. [CREATION.] There is created a permanent task force on the state's economic future and competitiveness. The task force is composed of the governor (ex officio); the commissioners of the departments of jobs and training, trade and economic development, commerce, and labor and industry; the chancellor of the higher education board; the president of the largest statewide Minnesota organized labor organization as measured by the number of its members in affiliated labor organizations; the deans of the business schools at the University of Minnesota and St. Thomas University and the Hubert H. Humphrey Institute of Public Affairs; the science and technology advisor to the governor; six representatives from private sector businesses appointed by the governor, two from companies with more than 1,000 employees, two from companies with 101 to 1,000 employees, and two from companies with less than 100 employees; two members representing environmental interests; and designees of the majority leader of the senate and the minority leader of the house of representatives. The chair of the task force shall be elected by the members from the private sector members. Terms of private sector members shall be for a minimum of three years and a maximum of five years.

### Subd. 2. [DUTIES.] The task force shall:

(1) monitor implementation of the state's economic blueprint, particularly as it pertains to the long-range competitiveness of Minnesota's companies, published by the department of trade and economic development in November 1992;

(2) issue long-range policy recommendations for the state to achieve its long-range economic goals;

(3) hold periodic forums and symposiums involving renowned experts in areas pertaining to economic development and job creation;

(4) meet on call of the chair to receive reports and to provide ongoing counsel and advice to the legislature and the commissioner of trade and economic development;

(5) make recommendations as to modification or numeric changes in the economic blueprint to maintain its relevance and significance;

(6) ensure that goals, proposals, and recommendations should be quantified to the extent possible;

(7) utilize modern modeling tools to determine the long-range competitive impact of past, present, and proposed legislative action; and

(8) scrutinize all legislation that can impact the state's economic future or the competitiveness of Minnesota enterprise.

Subd. 3. [REPORTS.] The task force shall make annual reports to the governor and legislature on or before February 1. The first report is due by February 1, 1994.

Subd. 4. [CONTINUATION OF TASK FORCE.] The task force shall not expire but shall continue until terminated by a law specifically terminating it."

Delete the title and insert:

"A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; creating a task force on the state's economic future and competitiveness; amending Minnesota Statutes 1992, section 116J.58, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116J."

We request adoption of this report and repassage of the bill.

House Conferees: KAREN CLARK, STEVEN SMITH AND MIKE JAROS.

Senate Conferees: LINDA RUNBECK, PHIL J. RIVENESS AND TRACY L. BECKMAN.

Clark moved that the report of the Conference Committee on H. F. No. 454 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 454, A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bergson	Carlson	Dawkins	Farrell	Gruenes	Huntley
Anderson, I.	Bertram	Carruthers	Dehler	Frerichs	Gutknecht	Jacobs
Anderson, R.	Bettermann	Clark	Delmont	Garcia	Hasskamp	Jaros
Asch	Bishop	Commers	Dempsey	Girard	Haukoos	Jefferson
Battaglia	Blatz	Cooper	Dorn	Goodno	Hausman	Jennings
Bauerly	Brown, C.	Dauner	Erhardt	Greenfield	Holsten	Johnson, A.
Beard	Brown, K.	Davids	Evans	Greiling	Hugoson	Johnson, R.

Johnson, V.	Lieder	Morrison	Orfield	Rice	Sviggum	Welle
Kahn	Limmer	Mosel	Osthoff	Rodosovich	Swenson	Wenzel
Kalis	Lindner	Munger	Ostrom	Rukavina	Tomassoni	Winter
Kelley	Lourey	Murphy	Ozment	Sarna	Tompkins	Wolf
Kelso	Luther	Neary	Pauly	Seagren	Trimble	Worke
Kinkel	Lynch	Nelson	Pawlenty	Sekhon	Tunheim	Workman
Klinzing	Macklin	Ness	Pelowski	Simoneau	Van Dellen	Spk. Long
Knickerbocker	Mahon	Olson, E.	Perlt	Skoglund	Vellenga	
Koppendrayer	Mariani	Olson, K.	Peterson	Smith	Vickerman	
Krinkie	McCollum	Olson, M.	Pugh	Solberg	Wagenius	
Krueger	McGuire	Onnen	Reding	Sparby	Waltman	
Lasley	Milbert	Opatz	Rest	Stanisus	Weaver	
Leppik	Molnau	Orenstein	Rhodes	Steensma	Wejcman	

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1205

A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1205, 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. 1205 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 504.33, subdivision 3, is amended to read:

Subd. 3. [DISPLACE.] "Displace" means to demolish, acquire for or convert to a use other than low-income housing, or to provide or spend money that directly results in the demolition, acquisition, or conversion of housing to a use other than low-income housing.

"Displace" does not include providing or spending money that directly results in: (i) housing improvements made to comply with health, housing, building, fire prevention, housing maintenance, or energy codes or standards of the applicable government unit; (ii) housing improvements to make housing more accessible to a handicapped person; or (iii) the demolition, acquisition, or conversion of housing for the purpose of creating owner-occupied housing that consists of no more than four units per structure.

"Displace" does not include downsizing large apartment complexes by demolishing less than 25 percent of the units in the complex or by eliminating units through reconfiguration and expansion of individual units for the purpose of expanding the size of the remaining low-income units. For the purpose of this section, "large apartment complex" means two or more adjacent buildings containing a total of 100 or more units per complex.

Sec. 2. Minnesota Statutes 1992, section 504.33, subdivision 5, is amended to read:

Subd. 5. [LOW-INCOME HOUSING.] (a) "Low-income housing" means either:

(1) rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size; or

(2) rental housing occupied by households with income below 30 percent of the median for the metropolitan area as defined in section 473.121, subdivision 2, adjusted by size.

(b) "Low-income housing" also includes rental housing that has been vacant for less than two years, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Sec. 3. Minnesota Statutes 1992, section 504.33, subdivision 7, is amended to read:

Subd. 7. [REPLACEMENT HOUSING.] (a) "Replacement housing" means rental housing that is:

(1) the lesser of (i) the number and corresponding size of low-income housing units displaced, or (ii) sufficient in number and corresponding size of those low-income housing units displaced to meet the demand for those units, Notwithstanding subclauses (i) and (ii), if the housing impact statement shows demonstrated need, displaced units may be replaced by fewer, larger units of comparable total size, except that efficiency and single room occupancy units may not be replaced by units of a larger size;

(2) ~~low-income housing for the greater of at least 15 years or the compliance period of the federal low income housing tax credit under United States Code, title 26, section 42(i)(1), as amended.~~ This section does not prohibit increases in rent to cover operating expenses;

(3) in at least standard condition; and

(4) located in the city where the displaced low-income housing units were located.

Replacement housing may be provided as newly constructed housing, or rehabilitated housing that was previously unoccupied or vacant and in condemnable condition or rent subsidized existing housing that does not already qualify as low-income housing.

(b) Notwithstanding the requirements in paragraph (a), public housing units which are a part of a disposition plan approved by the Department of Housing and Urban Development automatically qualify as replacement housing for public housing units which are displaced.

Sec. 4. Minnesota Statutes 1992, section 504.34, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL REPORT REQUIRED.] A government unit shall prepare ~~an annual~~ a housing impact report either:

(1) for each year in which the government unit displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01; or

(2) when a specific project undertaken by a government unit for longer than one year displaces a total of ten or more units of low-income housing in a city of the first class as defined in section 410.01.

Sec. 5. Minnesota Statutes 1992, section 504.34, subdivision 2, is amended to read:

Subd. 2. [DRAFT ANNUAL HOUSING IMPACT REPORT.] A government unit subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing in a city. For a housing impact report required under subdivision 1, clause (2), the draft report must be completed by January 31 of the year immediately following the year in which the government unit has displaced a cumulative total of ten units of low-income housing in a city.

Sec. 6. Laws 1989, chapter 328, article 2, section 17, is amended to read:

Sec. 17. [HOUSING CALENDAR CONSOLIDATION PILOT-PROJECT PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A ~~three-year pilot project may be~~ program is 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~~ program 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. A proceeding under sections 566.01 to 566.17 may not be delayed because of the consolidation of matters under the housing calendar ~~project~~ program.

Subd. 3. [REFEREE.] The chief judge of district court may appoint a referee for the housing calendar ~~project~~ program. The referee must be learned in the law. The referee must be compensated according to the same scale used for other referees in the district court. Minnesota Statutes, section 484.70, subdivision 6, applies to the housing calendar ~~project~~ program.

Subd. 4. [REFEREE DUTIES.] The duties and powers of the referee in the housing calendar ~~project~~ program are as follows:

(1) to hear and report all matters within the jurisdiction of the housing calendar ~~project~~ program and as may be directed to the referee by the chief judge; and

(2) to 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~~ shall 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 ~~any 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, ~~must~~ shall set a time and place for the review hearing.

Subd. 7. [PROCEDURES.] The chief judge of the district ~~must~~ establish procedures for the implementation of the ~~pilot project~~ program, including designation of a location for the hearings. The chief judge may also appoint other staff as necessary for the ~~project~~ program.

Subd. 8. [EVALUATION.] The state court administrator may establish a procedure in consultation with the chief judge of each district, each district administrator, and an advisory group for evaluating the efficiency and the effectiveness of consolidating the hearing of residential rental housing matters, ~~and must report to the legislature by January 1, 1992.~~ An advisory group, appointed by the state court administrator, may be established to provide ongoing oversight and evaluation of the housing calendar consolidation ~~project~~ program. The advisory group must include representatives of the second and fourth judicial districts and must be composed of at least one representative from each of 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. 7. [REPEALER.]

Laws 1989, chapter 328, article 2, sections 18 and 19, are repealed.

Sec. 8. [EFFECTIVE DATE.]

Notwithstanding Laws 1989, chapter 328, article 2, section 19, or other law, sections 6 and 7 are effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; changing certain definitions relating to housing; providing for changes in certain housing reports; amending Minnesota Statutes 1992, sections 504.33, subdivisions 3, 5, and 7; and 504.34, subdivisions 1 and 2; Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19."

We request adoption of this report and repassage of the bill.

House Conferees: KAREN CLARK, ANDY DAWKINS AND TIM PAWLENTY.

Senate Conferees: RANDY C. KELLY, RICHARD J. COHEN AND SANDRA L. PAPPAS.

Clark moved that the report of the Conference Committee on H. F. No. 1205 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1205, A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Swenson
Anderson, I.	Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni
Anderson, R.	Dawkins	Holsten	Krueger	Murphy	Pugh	Tompkins
Asch	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Battaglia	Delmont	Huntley	Leppik	Nelson	Rest	Tunheim
Bauerly	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Beard	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vickerman
Bergson	Erhardt	Jefferson	Lindner	Olson, K.	Rukavina	Wagenius
Bertram	Evans	Jennings	Lourey	Olson, M.	Sarna	Waltman
Bettermann	Farrell	Johnson, A.	Luther	Onnen	Seagren	Weaver
Bishop	Frerichs	Johnson, R.	Lynch	Opatz	Sekhon	Wejzman
Blatz	Garcia	Johnson, V.	Macklin	Orenstein	Simoneau	Welle
Brown, C.	Girard	Kahn	Mahon	Orfield	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	Mariani	Osthoff	Smith	Winter
Carlson	Greenfield	Kelley	McCollum	Ostrom	Solberg	Wolf
Carruthers	Greiling	Kelso	McGuire	Ozment	Sparby	Worke
Clark	Gruenes	Kinkel	Milbert	Pauly	Stanius	Workman
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Steensma	
Cooper	Hasskamp	Krickerbocker	Morrison	Pelowski	Sviggum	

The bill was repassed, as amended by Conference, and its title agreed to.

The Speaker called Bauerly to the Chair.

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1039

A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1039, 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. 1039 be further amended as follows:

Page 1, line 14, after the period insert "A statutory or home rule charter city or town may require an auctioneer who intends to conduct an auction in the city or town to submit proof of licensure and compliance with the bond requirements of this chapter at least 14 days before the date of the auction."

We request adoption of this report and repassage of the bill.

House Conferees: EDWINA GARCIA, CHUCK BROWN AND GIL GUTKNECHT.

Senate Conferees: JOE BERTRAM, SR., LEROY A. STUMPF AND STEVE DILLE.

Garcia moved that the report of the Conference Committee on H. F. No. 1039 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1039, A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

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	Brown, K.	Erhardt	Hausman	Kelley	Lourey	Murphy
Anderson, I.	Carlson	Evans	Holsten	Kelso	Luther	Neary
Anderson, R.	Carruthers	Farrell	Hugoson	Kinkel	Lynch	Nelson
Asch	Clark	Frerichs	Huntley	Klinzing	Macklin	Ness
Battaglia	Commers	Garcia	Jacobs	Knickerbocker	Mahon	Olson, E.
Bauerly	Cooper	Girard	Jaros	Koppendrayner	Mariani	Olson, M.
Beard	Dauner	Goodno	Jefferson	Krinkie	McCollum	Onnen
Bergson	Dauids	Greenfield	Jennings	Krueger	McGuire	Opatz
Bertram	Dawkins	Greiling	Johnson, A.	Lasley	Milbert	Orenstein
Bettermann	Dehler	Gruenes	Johnson, R.	Leppik	Molnau	Orfield
Bishop	Delmont	Gutknecht	Johnson, V.	Lieder	Morrison	Osthoff
Blatz	Dempsey	Hasskamp	Kahn	Limmer	Mosel	Ostrom
Brown, C.	Dorn	Haukoos	Kalis	Lindner	Munger	Ozment

Pauly	Reding	Sarna	Solberg	Tomassoni	Vickerman	Wenzel
Pawlenty	Rest	Seagren	Sparby	Tompkins	Wagenius	Winter
Pelowski	Rhodes	Sekhon	Stanius	Trimble	Waltman	Wolf
Perlt	Rice	Simoneau	Steensma	Tunheim	Weaver	Worke
Peterson	Rodosovich	Skoglund	Sviggum	Van Dellen	Wejcman	Workman
Pugh	Rukavina	Smith	Swenson	Vellenga	Welle	Spk. Long

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1151

A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

May 12, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1151, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

We request adoption of this report and repassage of the bill.

House Conferees: MARVIN DAUNER, ROGER COOPER AND KEVIN GOODNO.

Senate Conferees: KEITH LANGSETH, LEROY A. STUMPF AND CHARLES A. BERG.

Dauner moved that the report of the Conference Committee on H. F. No. 1151 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1151, A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bergson	Carlson	Dawkins	Farrell	Gruenes	Huntley
Anderson, I.	Bertram	Carruthers	Dehler	Frerichs	Gutknecht	Jacobs
Anderson, R.	Bettermann	Clark	Delmont	Garcia	Hasskamp	Jaros
Asch	Bishop	Commers	Dempsey	Girard	Haukoos	Jefferson
Battaglia	Blatz	Cooper	Dorn	Goodno	Hausman	Jennings
Bauerly	Brown, C.	Dauner	Erhardt	Greenfield	Holsten	Johnson, A.
Beard	Brown, K.	Davids	Evans	Greiling	Hugoson	Johnson, R.

Johnson, V.	Lieder	Morrison	Orfield	Rice	Sviggum	Welle
Kahn	Limmer	Mosel	Osthoff	Rodosovich	Swenson	Wenzel
Kalis	Lindner	Munger	Ostrom	Rukavina	Tomassoni	Winter
Kelley	Lourey	Murphy	Ozment	Sarna	Tompkins	Wolf
Kelso	Luther	Neary	Pauly	Seagren	Trimble	Worke
Kinkel	Lynch	Nelson	Pawlenty	Sekhon	Tunheim	Workman
Klinzing	Macklin	Ness	Pelowski	Simoneau	Van Dellen	Spk. Long
Knickerbocker	Mahon	Olson, E.	Perlt	Skoglund	Vellenga	
Koppendrayer	Mariani	Olson, K.	Peterson	Smith	Vickerman	
Krinkie	McCollum	Olson, M.	Pugh	Solberg	Wagenius	
Krueger	McGuire	Onnen	Reding	Sparby	Waltman	
Lasley	Milbert	Opatz	Rest	Stanius	Weaver	
Leppik	Molnau	Orenstein	Rhodes	Steenma	Wejcman	

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1133

A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1133, 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. 1133 be further amended as follows:

Page 3, line 10, after the period insert "In developing the policies and the state plan, the department shall hold public hearings, at least one of which must be held outside the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

We request adoption of this report and repassage of the bill.

House Conferees: ALICE HAUSMAN, JOEL JACOBS, TOM OSTHOFF, LOREN JENNINGS AND PAMELA NEARY.

Senate Conferees: JANET B. JOHNSON, STEVEN G. NOVAK, ELLEN R. ANDERSON, STEVE DILLE AND KEVIN M. CHANDLER.

Hausman moved that the report of the Conference Committee on H. F. No. 1133 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1133, A bill for an act relating to energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; appropriating money; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Hausman	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Davids	Holsten	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Hugoson	Lasley	Neary	Reding	Tompkins
Asch	Dehler	Huntley	Leppik	Nelson	Rest	Trimble
Battaglia	Delmont	Jacobs	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jaros	Limmer	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Johnson, A.	Luther	Onnen	Sarna	Wagenius
Bettermann	Farrell	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Kahn	Mahon	Orfield	Simoneau	Wejzman
Brown, C.	Girard	Kalis	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kelley	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelso	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kinkel	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Klinzing	Molnau	Pawlenty	Stanius	Worke
Commers	Hasskamp	Knickerbocker	Morrison	Pelowski	Steensma	Workman
Cooper	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum	Spk. Long

Those who voted in the negative were:

Gutknecht

The bill was repassed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 287

A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

May 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 287, 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. 287 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 16B.121, is amended to read:

16B.121 [PURCHASE OF RECYCLED, REPAIRABLE, AND DURABLE MATERIALS.]

The commissioner shall take the recycled content and recyclability of commodities to be purchased into consideration in bid specifications. When feasible and when the price of recycled materials does not exceed the price of nonrecycled materials by more than ten percent, the commissioner, and state agencies when purchasing under delegated authority, shall purchase recycled materials. In order to maximize the quantity and quality of recycled materials purchased, the commissioner, and state agencies when purchasing under delegated authority, may also use other appropriate procedures to acquire recycled materials at the most economical cost to the state.

When purchasing commodities and services, the commissioner, and state agencies when purchasing under delegated authority, shall apply and promote the preferred waste management practices listed in section 115A.02, with special emphasis on reduction of the quantity and toxicity of materials in waste. The commissioner, and state agencies when purchasing under delegated authority, in developing bid specifications, shall consider the extent to which a commodity or product is durable, reusable, or recyclable and marketable through the state resource recovery program and the extent to which the commodity or product contains postconsumer material.

Sec. 2. Minnesota Statutes 1992, section 16B.122, is amended to read:

16B.122 [PURCHASE AND USE OF PAPER STOCK; PRINTING.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Copier paper" means paper purchased for use in copying machines.

(b) "Office paper" means notepads, loose-leaf fillers, tablets, and other paper commonly used in offices.

~~(b)~~ (c) "Postconsumer material" means a finished material that would normally be discarded as a solid waste, having completed its life cycle as a consumer item.

~~(e)~~ (d) "Practicable" means capable of being used, consistent with performance, in accordance with applicable specifications, and availability within a reasonable time.

~~(d)~~ (e) "Printing paper" means paper designed for printing, other than newsprint, such as offset and publication paper.

(e) (f) "Public entity" means the state, an office, agency, or institution of the state, the metropolitan council, a metropolitan agency, the metropolitan mosquito control district, the legislature, the courts, a county, a statutory or home rule charter city, a town, a school district, another special taxing district, or any contractor acting pursuant to a contract with a public entity.

~~(f)~~ (g) "Soy-based ink" means printing ink made from soy oil.

(g) (h) "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

Subd. 2. [PURCHASES; PRINTING.] (a) Whenever practicable, a public entity shall:

- (1) purchase uncoated office paper and printing paper;
- (2) purchase recycled content paper with at least ten percent postconsumer material by weight;
- (3) purchase paper which has not been dyed with colors, excluding pastel colors;
- (4) purchase recycled content paper that is manufactured using little or no chlorine bleach or chlorine derivatives;
- (5) use no more than two colored inks, standard or processed, except in formats where they are necessary to convey meaning;
- (6) use reusable binding materials or staples and bind documents by methods that do not use glue;
- (7) use soy-based inks; and
- (8) produce reports, publications, and periodicals that are readily recyclable within the state resource recovery program.

(b) Paragraph (a), clause (1), does not apply to coated paper that is made with at least 50 percent postconsumer material.

(c) A public entity shall print documents on both sides of the paper where commonly accepted publishing practices allow.

(d) Notwithstanding paragraph (a), clause (2), and section 16B.121, copier paper purchased by a state agency must contain at least ten percent postconsumer material by fiber content.

Subd. 3. [PUBLIC ENTITY PURCHASING.] (a) Notwithstanding section 365.37, 375.21, 412.331, or 473.705, a public entity may purchase recycled materials when the price of the recycled materials does not exceed the price of nonrecycled materials by more than ten percent. In order to maximize the quantity and quality of recycled materials purchased, a public entity also may use other appropriate procedures to acquire recycled materials at the most economical cost to the public entity.

(b) When purchasing commodities and services, a public entity shall apply and promote the preferred waste management practices listed in section 115A.02, with special emphasis on reduction of the quantity and toxicity of materials in waste. A public entity, in developing bid specifications, shall consider the extent to which a commodity or product is durable, reusable, or recyclable and marketable through the applicable local or regional recycling program and the extent to which the commodity or product contains postconsumer material.

Sec. 3. Minnesota Statutes 1992, section 16B.123, is amended to read:

16B.123 [PACKING MATERIALS.]

Subdivision 1. [REQUIRED USE.] Whenever technically feasible, a public entity shall purchase and use degradable loose foam packing material manufactured from vegetable starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources.

Subd. 2. [DEFINITION; PACKING MATERIAL.] For the purposes of this section, "packing material" means loose foam material, other than an exterior packaging shell, that is used to stabilize, protect, cushion, or brace the contents of a package.

Subd. 3. [PURCHASE OF PACKAGED PRODUCTS.] Whenever practicable, a public entity shall specify use of degradable loose foam packing material in contracting for purchase of packaged products, unless the cost of packaging a product with loose foam packing material is more than ten percent greater than the cost of packaging the product with loose foam packing material made from nonrenewable resources.

Sec. 4. Minnesota Statutes 1992, section 16B.24, is amended by adding a subdivision to read:

Subd. 11. [RECYCLING OF FLUORESCENT LAMPS.] When a fluorescent lamp containing mercury is removed from service in a building or premises owned by the state or rented by the state, the commissioner shall ensure that the lamp is recycled if a recycling facility, which has been licensed or permitted by the agency or is operated subject to a compliance agreement with, or other approval by, the commissioner, is available in this state.

Sec. 5. Minnesota Statutes 1992, section 17.135, is amended to read:

17.135 [FARM DISPOSAL OF SOLID WASTE.]

(a) A permit is not required from a state agency, except under sections 88.16, 88.17, and 88.22 for a person who owns or operates land used for farming that buries, or burns and buries, solid waste generated from the person's household or as part of the person's farming operation if the burying is done in a nuisance free, pollution free, and aesthetic manner on the land used for farming. This exception does not apply if regularly scheduled pickup of solid waste is reasonably available at the person's farm, as determined by resolution of the county board of the county where the person's farm is located.

(b) This exemption does not apply to burning tires or plastics, except plastic baling twine, or to burning or burial of the following materials:

(1) household hazardous waste as defined in section 115A.96, subdivision 1;

(2) appliances, including but not limited to, major appliances as defined in section 115A.03, subdivision 17a;

(3) household batteries;

(4) used motor oil; and

(5) lead acid batteries from motor vehicles.

Sec. 6. Minnesota Statutes 1992, section 115.071, subdivision 1, is amended to read:

Subdivision 1. [REMEDIES AVAILABLE.] The provisions of sections 103F.701 to 103F.761, chapters 115, 115A, and 116, and sections 325E.10 to 325E.1251 and 325E.32 and all rules, standards, orders, stipulation agreements, schedules of compliance, and permits adopted or issued by the agency thereunder or under any other law now in force or hereafter enacted for the prevention, control, or abatement of pollution may be enforced by any one or any combination of the following: criminal prosecution; action to recover civil penalties; injunction; action to compel performance; or other appropriate action, in accordance with the provisions of said chapters and this section.

Sec. 7. Minnesota Statutes 1992, section 115A.03, is amended by adding a subdivision to read:

Subd. 22b. [PACKAGING.] "Packaging" means a container and any appurtenant material that provide a means of transporting, marketing, protecting, or handling a product. "Packaging" includes pallets and packing such as blocking, bracing, cushioning, weatherproofing, strapping, coatings, closures, inks, dyes, pigments, and labels.

Sec. 8. Minnesota Statutes 1992, section 115A.03, is amended by adding a subdivision to read:

Subd. 25c. [RECYCLING FACILITY.] "Recycling facility" means a facility at which materials are prepared for reuse in their original form or for use in manufacturing processes that do not cause the destruction of the materials in a manner that precludes further use.

Sec. 9. Minnesota Statutes 1992, section 115A.034, is amended to read:

115A.034 [ENFORCEMENT.]

This chapter may be enforced under ~~section~~ sections 115.071 and 116.072.

## Sec. 10. [115A.415] [SUBSTANDARD DISPOSAL FACILITIES.]

Beginning July 1, 1995:

(1) a person may not deliver unprocessed mixed municipal solid waste to a substandard disposal facility; and

(2) an operator of a substandard disposal facility may not accept unprocessed mixed municipal solid waste for deposit in the disposal facility.

For the purpose of this section, "substandard disposal facility" means a disposal facility that does not meet the design, construction, and operation requirements for a new mixed municipal solid waste facility contained in state rules in effect as of January 1, 1993.

For the purpose of this section, waste is "unprocessed" if it has not, after collection and before disposal, undergone at least one process, as defined in section 115A.03, subdivision 25, excluding storage, exchange, and transfer of the waste.

Sec. 11. Minnesota Statutes 1992, section 115A.54, subdivision 2a, is amended to read:

Subd. 2a. [SOLID WASTE MANAGEMENT PROJECTS.] (a) The office director shall provide technical and financial assistance for the acquisition and betterment of solid waste management projects as provided in this subdivision and section 115A.52. Money appropriated for the purposes of this subdivision must be distributed as grants.

(b) Except as provided in paragraph (c), a project may receive grant assistance up to 25 percent of the capital cost of the project or \$2,000,000, whichever is less, except that projects constructed as a result of intercounty cooperative agreements may receive (1) grant assistance up to 25 percent of the capital cost of the project; or (2) \$2,000,000 times the number of participating counties, whichever is less.

(c) A recycling project or a project to compost or cocompost waste may receive grant assistance up to 50 percent of the capital cost of the project or \$2,000,000, whichever is less, except that projects completed as a result of intercounty cooperative agreements may receive (1) grant assistance up to 50 percent of the capital cost of the project; or (2) \$2,000,000 times the number of participating counties, whichever is less.

(d) Notwithstanding paragraph (e), the agency director may award grants for transfer stations that will initially transfer waste to landfills if the transfer stations are part of a planned resource recovery project, the county where the planned resource recovery facility will be located has a comprehensive solid waste management plan approved by the agency director, and the solid waste management plan proposes the development of the resource recovery facility. If the proposed resource recovery facility is not in place and operating within five eight years of the date of the grant award, the recipient shall repay the grant amount to the state.

(e) Projects without resource recovery are not eligible for assistance.

(f) In addition to any assistance received under paragraph (b) or (c), a project may receive grant assistance for the cost of tests necessary to determine the appropriate pollution control equipment for the project or the environmental effects of the use of any product or material produced by the project.

(g) In addition to the application requirements of section 115A.51, an application for a project serving eligible jurisdictions in only a single county must demonstrate that cooperation with jurisdictions in other counties to develop the project is not needed or not feasible. Each application must also demonstrate that the project is not financially prudent without the state assistance, because of the applicant's financial capacity and the problems inherent in the waste management situation in the area, particularly transportation distances and limited waste supply and markets for resources recovered.

(h) For the purposes of this subdivision, a "project" means a processing facility, together with any transfer stations, transmission facilities, and other related and appurtenant facilities primarily serving the processing facility. The office director shall adopt rules for the program by July 1, 1985.

Sec. 12. Minnesota Statutes 1992, section 115A.5501, subdivision 3, is amended to read:

Subd. 3. [FACILITY COOPERATION AND REPORTS.] The owner or operator of a solid waste composting, incineration, refuse derived fuel or disposal facility shall allow access upon reasonable notice to authorized office, agency, or metropolitan council staff for the purpose of conducting waste composition studies or otherwise assessing the amount of total packaging in the waste delivered to the facility under this section.

Beginning in 1993, by February 1 of each year the owner or operator of a facility governed by this subdivision shall submit a report to the commissioner, on a form prescribed by the commissioner, information specifying the total amount of solid waste received by the facility between January 1 and December 31 of the previous year. The commissioner shall calculate the total amount of solid waste delivered to solid waste facilities from the reports received from the facility owners or operators and shall report the aggregate amount to the director by April 1 of each year. The commissioner shall assess a nonforgivable administrative penalty under section 116.072 of \$500 plus any forgivable amount necessary to enforce this subdivision on any owner or operator who fails to submit a report required by this subdivision.

Sec. 13. Minnesota Statutes 1992, section 115A.551, subdivision 2a, is amended to read:

Subd. 2a. [SUPPLEMENTARY RECYCLING GOALS.] By December 31, 1996, each county will have as a goal to recycle the following amounts:

- (1) for a county outside of the metropolitan area, 30 percent by weight of total solid waste generation;
- (2) for a metropolitan county, 45 percent by weight of total solid waste generation.

Each county will 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 in any other law may be construed to prohibit a county from establishing a higher recycling goal. For the purposes of this subdivision "recycle" and "total solid waste generation" have the meanings given them in subdivision 1, except that neither includes yard waste.

For a county that, by January 1, 1995, is implementing a solid waste reduction program that is approved by the director, the director shall apply three percentage points toward achievement of the recycling goals in this subdivision. In addition, the director shall apply demonstrated waste reduction that exceeds three percent reduction toward achievement of the goals in this subdivision.

Sec. 14. Minnesota Statutes 1992, section 115A.551, subdivision 4, is amended to read:

Subd. 4. [INTERIM MONITORING.] The office, for counties outside of the metropolitan area, and the metropolitan council, for counties within the metropolitan area, shall monitor the progress of each county toward meeting the recycling goals in subdivisions 2 and 2a and. The office shall report to the legislative commission on waste management on the progress of the counties by July 1 of each year. The metropolitan council shall report to the legislative commission on waste management on the progress of the counties by July 1 of each year. If the office or the council finds that a county is not progressing toward the goals in subdivisions 2 and 2a, it shall negotiate with the county to develop and implement solid waste management techniques designed to assist the county in meeting the goals, such as organized collection, curbside collection of source-separated materials, and volume-based pricing.

In even-numbered years the office's progress report may be included in the solid waste management policy report required under section 115A.411. The metropolitan council's progress report shall be included in the report required by section 473.149.

Sec. 15. Minnesota Statutes 1992, section 115A.56, is amended to read:

115A.56 [RECYCLED CONTENT; LABELS.]

(a) A person may not label or otherwise indicate on a product or package for sale or distribution that the product or package contains recycled material unless the label or other indication states the minimum percentage of postconsumer material in the product or package:

- (1) by weight for a finished nonpaper product or package; and

(2) by fiber content for a finished paper product or package.

For the purposes of this section "product" includes advertising materials and campaign material as defined in section 211B.01, subdivision 2.

(b) Paragraph (a) does not apply to products that qualify for and use the recycling emblem established by the state of New York that was in effect on December 14, 1990.

Sec. 16. Minnesota Statutes 1992, section 115A.916, is amended to read:

115A.916 [USED OIL; LAND DISPOSAL PROHIBITED MOTOR AND VEHICLE FLUIDS AND FILTERS; PROHIBITIONS.]

A person may not place used motor oil, brake fluid, power steering fluid, transmission fluid, motor oil filters, or antifreeze:

(1) in mixed municipal solid waste or place used oil;

(2) in or on the land, unless approved by the agency; or

(3) in or on the waters of the state or in a stormwater or wastewater collection or treatment system. This section may be enforced by the agency pursuant to sections 115.071 and 116.072.

For the purposes of this section, "antifreeze" does not include small amounts of antifreeze contained in water used to flush the cooling system of a vehicle after the antifreeze has been drained and does not include deicer that has been used on the exterior of a vehicle.

This section does not apply to antifreeze placed in a wastewater collection system that includes a publicly owned treatment works that is permitted by the agency until July 1, 1995.

Sec. 17. Minnesota Statutes 1992, section 115A.929, is amended to read:

115A.929 [FEES; ACCOUNTING.]

Each local government unit that collects a fee under section 115A.919, 115A.921, or 115A.923 shall account for all revenue collected from the fee waste management fees, together with interest earned on the revenue from the fee fees, separately from other revenue collected by the local government unit and shall report revenue collected from the fee fees and use of the revenue separately from other revenue and use of revenue in any required financial report or audit. For the purposes of this section, "waste management fees" means:

(1) all fees, charges, and surcharges collected under sections 115A.919, 115A.921, and 115A.923;

(2) all tipping fees collected at waste management facilities owned or operated by the local government unit;

(3) all charges imposed by the local government unit for waste collection and management services; and

(4) any other fees, charges, or surcharges imposed on waste or for the purpose of waste management, whether collected directly from generators or indirectly through property taxes or as part of utility or other charges for services provided by the local government unit.

Sec. 18. [115A.9302] [WASTE DEPOSIT DISCLOSURE.]

Subdivision 1. [DISCLOSURE REQUIRED.] By January 1, 1994, and at least annually thereafter, a person that collects construction debris, industrial waste, or mixed municipal solid waste for transportation to a waste facility shall disclose to each waste generator from whom waste is collected the name, location, and type of, and the number of the permit issued by the agency, or its counterpart in another state, if applicable, for the processing or disposal facility or facilities, excluding a transfer station, at which the waste will be deposited. The collector shall note both the primary facility at which the collector most often deposits waste and any alternative facilities regularly used by the collector.

Subd. 2. [FORM OF DISCLOSURE.] A collector shall make the disclosure to the waste generator in writing at least once per year or on any written contract for collection services for that year. If an additional facility becomes either a primary facility or an alternative facility during the year, the collector shall make the disclosure set forth in subdivision 1 within 30 days. A local government unit that collects solid waste without direct charges to waste generators shall make the disclosure on any statement that includes an amount for waste management, provided that, at a minimum, disclosure to waste generators must be made at least twice annually in a form likely to be available to all generators.

Subd. 3. [TRANSFER STATIONS.] If the collector deposits waste at a transfer station, the collector need not disclose the name and location of the transfer station but must disclose the destination of the waste when it leaves the transfer station.

Sec. 19. Minnesota Statutes 1992, section 115A.932, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITIONS.] (a) A person may not place mercury or a thermostat, thermometer, electric switch, appliance, or medical or scientific instrument from which the mercury has not been removed for reuse or recycling:

- (1) in solid waste; or
- (2) in a wastewater disposal system.

(b) A person may not knowingly place mercury or a thermostat, thermometer, electric switch, appliance, or medical or scientific instrument from which the mercury has not been removed for reuse or recycling:

- (1) in a solid waste processing facility; or
- (2) in a solid waste disposal facility, as defined in section 115.01, subdivision 4.

(c) A person may not knowingly place a fluorescent or high intensity discharge lamp:

- (1) in solid waste; or
- (2) in a solid waste facility, except a household hazardous waste collection or recycling facility.

This paragraph does not apply to waste lamps generated by households until August 1, 1994.

Sec. 20. Minnesota Statutes 1992, section 115A.94, subdivision 5, is amended to read:

Subd. 5. [COUNTY ORGANIZED COLLECTION.] (a) A county may by ordinance require cities and towns within the county to organize collection. Organized collection ordinances of counties may:

- (1) require cities and towns to require the separation and separate collection of recyclable materials;
- (2) specify the material to be separated; and
- (3) require cities and towns to meet any performance standards for source separation that are contained in the county solid waste plan.

(b) A county may itself organize collection under subdivision 4 in any city or town that does not comply with a county organized collection ordinance adopted under this subdivision, and the county may implement, as part of its organized collection, the source separation program and performance standards required by its organized collection ordinance.

Sec. 21. Minnesota Statutes 1992, section 115A.94, subdivision 6, is amended to read:

Subd. 6. [ORGANIZED COLLECTION NOT REQUIRED OR PREVENTED.] (a) The authority granted in this section to organize solid waste collection is optional and is in addition to authority to govern solid waste collection granted by other law.

(b) Except as provided in subdivision 5, a city, town, or county is not:

(1) required to organize collection; or

(2) prevented from organizing collection of solid waste or recyclable material.

(c) Except as provided in subdivision 5, a city, town, or county may exercise any authority granted by any other law, including a home rule charter, to govern collection of solid waste.

Sec. 22. Minnesota Statutes 1992, section 115A.941, is amended to read:

115A.941 [SOLID WASTE; REQUIRED COLLECTION.]

(a) Except as provided in paragraph (b), each city, and town described in section 368.01, with a population of 1,000 or more, and any other town with a population of 5,000 or more shall ensure that every residential household and business in the city or town has solid waste collection service. To comply with this section, a city or town may organize collection, provide collection, or require by ordinance that every household and business has a contract for collection services. An ordinance adopted under this section must provide for enforcement.

(b) A city or town ~~with a population of 5,000 or more~~ described in paragraph (a) may exempt a residential household or business in the city or town from the requirement to have solid waste collection service if the household or business ensures that an environmentally sound alternative is used.

(c) To the extent practicable, the costs incurred by a city or town under this section must be incorporated into the collection system or the enforcement mechanisms adopted under this section by the city or town.

Sec. 23. [115A.9523] [HAZARDOUS PRODUCTS; LABELING.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Hazardous product" means a product that, as a product or when it becomes a waste, exhibits a hazardous characteristic of ignitability, corrosivity, reactivity, or toxicity, or any combination of these characteristics, as defined and listed under the criteria in Code of Federal Regulations, title 40, sections 261.20 to 261.24. "Hazardous product" does not include:

(1) a pesticide that is registered under chapter 18B;

(2) a product that is required to be labeled for proper waste management under other state or federal law;

(3) a battery that complies with sections 115A.961 and 325E.125 as applicable to the battery; or

(4) a prescription drug.

(c) "Product" means tangible personal property that is manufactured or imported for retail sale or use in this state. "Product" does not include a durable good with an expected useful life of three years or more.

Subd. 2. [UNIFORM LABEL.] The director shall adopt a rule to establish a uniform label for hazardous products that must include at least a warning that, as waste, the product contains a hazardous material that can harm the environment if not properly managed and information for proper management or disposal of the waste product.

Subd. 3. [LABEL; REQUIRED USE.] After January 1, 2000, a manufacturer may not knowingly offer a hazardous product for distribution, sale, or use in this state unless the product is labeled, on the product itself or on the container, with the label adopted under subdivision 2. This subdivision is not effective if the federal government adopts and implements uniform labeling of hazardous products by January 1, 2000, and if the label required both warns of the presence of hazardous material and informs of proper management of the product as waste. For the purposes of this subdivision, a retailer or a distributor is not a manufacturer and is not subject to the requirements of this section.

Sec. 24. Minnesota Statutes 1992, section 115A.965, subdivision 1, is amended to read:

Subdivision 1. [PACKAGING.] (a) As soon as feasible but not later than August 1, 1993, no manufacturer or distributor may sell or offer for sale or for promotional purposes in this state packaging or a product that is contained in packaging if the packaging itself, or any inks, dyes, pigments, adhesives, stabilizers, or any other additives to the packaging contain any lead, cadmium, mercury, or hexavalent chromium that has been intentionally introduced as an element during manufacture or distribution of the packaging. Intentional introduction does not include the incidental presence of any of the prohibited elements.

(b) For the purposes of this section:

(1) "distributor" means a person who imports packaging or causes packaging to be imported into the state; and

(2) until August 15, 1995, "packaging" does not include steel strapping containing a total concentration level of lead, cadmium, mercury, and hexavalent chromium, added together, of less than 100 parts per million by weight.

Sec. 25. Minnesota Statutes 1992, section 115A.9651, is amended to read:

115A.9651 [TOXICS IN PRODUCTS; ENFORCEMENT.]

After July 1, 1994, no person may deliberately introduce lead, cadmium, mercury, or hexavalent chromium into any ink, dye, pigment, paint, or fungicide that is intended for use or for sale in this state.

Until July 1, 1997, this section does not apply to electrodeposition primer coating, porcelain enamel coatings, medical devices, hexavalent chromium in the form of chromine acid when processed at a temperature of at least 750 degrees Fahrenheit, or ink used for computer identification markings.

This section does not apply to art supplies.

This section may be enforced under sections 115.071 and 116.072. The attorney general or the commissioner of the agency shall coordinate enforcement of this section with the director of the office.

Sec. 26. Minnesota Statutes 1992, section 115A.981, is amended to read:

115A.981 [SOLID WASTE MANAGEMENT; ECONOMIC STATUS AND OUTLOOK.]

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 subdivision 2.

Subd. 2. [ANNUAL REPORTING.] (a) The owner or operator of a solid waste disposal facility shall submit an annual report to the commissioner that includes:

(1) a certification that the owner or operator 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 specification of the financial assurance mechanism used, including the amount paid in or assured during the past year and the total amount of financial assurance accumulated to date; and

(2) a schedule of fees charged by at the facility for waste management, including all tipping fees, rates, charges, surcharges, and any other fees charged to each classification of customer.

(b) The owner or operator of a solid waste facility, other than a private recycling facility, that is not a disposal facility and that is not governed by paragraph (c) shall submit an annual report to the commissioner that includes a schedule of fees charged at the facility for waste management, including all tipping fees, rates, charges, surcharges, and any other fees charged to each classification of customers.

(c) The owner or operator of a solid waste facility whose construction or operation was or is wholly or partially publicly financed, except when the public financing consists entirely of a grant for less than 15 percent of the cost of construction or consists solely of the sale of revenue bonds, and a local government unit that is the owner or operator of a solid waste facility shall submit an annual report to the commissioner that includes:

(1) a schedule of fees charged at the facility for waste management, including all tipping fees, rates, charges, surcharges, and any other fees charged to each classification of customers;

(2) a description of the amounts and sources of capital financing for the facility, including current debt and principal and interest payments made on the debt to date;

(3) an accounting of the costs of administration and operation of the facility;

(4) identification of the source and amount of any additional financing for the administration or operation of the facility not included in the fees reported under clause (1); and

(5) identification of the purposes of expenditure of any fees reported under clause (1) that are not expended for servicing or repaying debt on the facility or for administration and operation of the facility.

(d) The agency may suspend the operation of a disposal facility whose permittee fails to file the information required under this subdivision. 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 commissioner.

Subd. 3. [REPORT.] (a) The commissioner shall report to the legislative commission on waste management by July 1 of each odd-numbered year on the economic status and outlook of the state's solid waste management sector including:

(1) an estimate of the extent to which prices for solid waste management paid by consumers reflect costs related to environmental and public health protection, including a discussion of how prices are publicly and privately subsidized and how identified costs of waste management are not reflected in the prices;

~~(2) a discussion of how the market structure for solid waste management influences prices, considering:~~

~~(i) changes in the solid waste management market structure;~~

~~(ii) the relationship between public and private involvement in the market; and~~

~~(iii) the effect on market structures of waste management laws and rules; and~~

~~(3) any recommendations for strengthening or improving the market structure for solid waste management to ensure protection of human health and the environment, taking into account the preferred waste management practices listed in section 115A.02 and considering the experiences of other states.~~

(b) In preparing the report, the commissioner shall:

(1) consult with the director; the metropolitan council; local government units; solid waste collectors, transporters, and processors; owners and operators of solid waste disposal facilities; and other interested persons;

(2) consider information received under subdivision 2; and

(3) analyze information gathered and comments received relating to the most recent solid waste management policy report prepared under section 115A.411.

The commissioner shall also recommend any legislation necessary to ensure adequate and reliable information needed for preparation of the report.

(c) ~~If an action recommended by the commissioner under paragraph (a) would significantly affect the solid waste management market structure, the commissioner shall, in consultation with the entities listed in paragraph (b), clause (1), prepare and include in the report an analysis of the potential impacts and effectiveness of the action, including impacts on:~~

~~(1) the public and private waste management sectors;~~

~~(2) future innovation and responsiveness to new approaches to solid waste management; and~~

~~(3) the costs of waste management.~~

(d) The report must also include:

(1) statewide and facility by facility estimates of the total potential costs and liabilities associated with solid waste disposal facilities for closure and postclosure care, response costs under chapter 115B, and any other potential costs, liabilities, or financial responsibilities;

(2) statewide and facility by facility requirements for proof of financial responsibility under section 116.07, subdivision 4h, and how each facility is meeting those requirements.

Sec. 27. Minnesota Statutes 1992, section 116.78, is amended by adding a subdivision to read:

Subd. 3a. [WASTE CONTAINERS.] Noninfectious mixed municipal solid waste generated by a facility must be placed for containment, collection, and processing or disposal in containers that are sufficiently transparent that the contents of the containers may be viewed from the exterior of the containers. The operator of a mixed municipal solid waste facility may not refuse to accept mixed municipal solid waste generated by a facility that complies with this subdivision, unless the operator observes that the waste contains sharps or other infectious waste.

Sec. 28. Minnesota Statutes 1992, section 116.92, subdivision 7, is amended to read:

Subd. 7. [FLUORESCENT AND HIGH INTENSITY DISCHARGE LAMPS; LARGE USE APPLICATIONS.] (a) A person who sells fluorescent or high intensity discharge lamps that contain mercury to the owner or manager of an industrial, commercial, office, or multiunit residential building, or to any person who replaces or removes from service outdoor lamps that contain mercury, shall clearly inform the purchaser in writing on the invoice for the lamps, or in a separate writing, that the lamps contain mercury, a hazardous substance that is regulated by federal or state law and that they may not be placed in solid waste. This paragraph does not apply to a person who incidentally sells fluorescent or high intensity discharge lamps at retail to the specified purchasers.

(b) A person who contracts with the owner or manager of an industrial, commercial, office, or multiunit residential building, or with a person responsible for outdoor lighting, to remove from service fluorescent or high intensity discharge lamps that contain mercury shall clearly inform, in writing, the person for whom the work is being done that the lamps being removed from service contain mercury and what the contractor's arrangements are for the management of the mercury in the removed lamps.

Sec. 29. [116.93] [LAMP RECYCLING FACILITIES.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "lamp recycling facility" means a facility operated to remove, recover, and recycle for reuse mercury or other hazardous materials from fluorescent or high intensity discharge lamps.

Subd. 2. [LAMP RECYCLING FACILITY; PERMITS OR LICENSES.] (a) A person may not operate a lamp recycling facility without obtaining a permit or license for the facility from the agency. The permit or license must require:

(1) a plan for response to releases, including emergency response;

(2) proof of financial responsibility for closure and any necessary postclosure care at the facility which may include a performance bond or other insurance; and

(3) liability insurance or another financial mechanism that provides proof of financial responsibility for response actions required under chapter 115B.

(b) A lamp recycling facility that is licensed or permitted by a county under section 473.811, subdivision 5b, complies with this subdivision if the license or permit held by the facility contains at least all the terms and conditions required by the agency for a license or permit issued under this subdivision.

(c) A lamp recycling facility with a demonstrated capability for recycling that is in operation prior to adoption of rules for a licensing or permitting process for the facility by the agency may continue to operate in accordance with compliance agreement or other approval by the commissioner until a license or permit is issued by the agency under this subdivision.

Sec. 30. [116.94] [LOOSE FOAM PACKING MATERIAL; DIFFERENTIATION.]

(a) By July 1, 1995, the commissioner shall adopt rules to implement a method for easily and visually differentiating between packing material that is manufactured using only vegetable starches or other renewable resources and packing material manufactured using petroleum and other nonrenewable resources.

(b) For the purposes of this section "packing material" has the meaning given in section 16B.123, subdivision 2.

(c) This section applies only if loose foam packing material manufacturers do not establish and implement a differentiation method that complies with paragraph (a) not later than July 1, 1994.

Sec. 31. Minnesota Statutes 1992, section 216B.241, is amended by adding a subdivision to read:

Subd. 5. [CONSERVATION IMPROVEMENT PROGRAM; EFFICIENT LIGHTING.] (a) Each public utility, cooperative electric association, and municipal utility that provides electric service to retail customers shall include as part of its conservation improvement activities a program to strongly encourage the use of fluorescent and high intensity discharge lamps. The program must include at least a public information campaign to encourage use of the lamps and proper management of spent lamps by all customer classifications.

(b) A public utility that provides electric service at retail to 200,000 or more customers shall establish, either directly or through contracts with other persons, including lamp manufacturers, distributors, wholesalers, and retailers and local government units, a system to collect for delivery to a reclamation or recycling facility spent fluorescent and high intensity discharge lamps from households and from small businesses as defined in section 645.445 that generate an average of fewer than ten spent lamps per year.

(c) A collection system must include establishing reasonably convenient locations for collecting spent lamps from households and financial incentives sufficient to encourage spent lamp generators to take the lamps to the collection locations. Financial incentives may include coupons for purchase of new fluorescent or high intensity discharge lamps, a cash back system, or any other financial incentive or group of incentives designed to collect the maximum number of spent lamps from households and small businesses that is reasonably feasible.

(d) A public utility that provides electric service at retail to fewer than 200,000 customers, a cooperative electric association, or a municipal utility that provides electric service at retail to customers may establish a collection system under paragraphs (b) and (c) as part of conservation improvement activities required under this section.

(e) The commissioner of the pollution control agency may not, unless clearly required by federal law, require a public utility, cooperative electric association, or municipality that establishes a household fluorescent and high intensity discharge lamp collection system under this section to manage the lamps as hazardous waste as long as the lamps are managed to avoid breakage and are delivered to a recycling or reclamation facility that removes mercury and other toxic materials contained in the lamps prior to placement of the lamps in solid waste.

(f) If a public utility, cooperative electric association, or municipal utility contracts with a local government unit to provide a collection system under this subdivision, the contract must provide for payment to the local government unit of all the unit's incremental costs of collecting and managing spent lamps.

(g) All the costs incurred by a public utility, cooperative electric association, or municipal utility for promotion and collection of fluorescent and high intensity discharge lamps under this subdivision are conservation improvement spending under this section.

Sec. 32. Minnesota Statutes 1992, section 325E.1151, subdivision 1, is amended to read:

Subdivision 1. [PURCHASERS MUST RETURN BATTERY OR PAY \$5.] (a) A person who purchases a lead acid battery at retail, except a lead acid battery that is designed to provide power for a boat motor that is purchased at the same time as the battery, must:

- (1) return a lead acid battery to the retailer; or
- (2) pay the retailer a \$5 surcharge.

(b) A person who has paid a \$5 surcharge under paragraph (a) must receive a \$5 refund from the retailer if the person returns a lead acid battery with a receipt for the purchase of a new battery from that retailer within 30 days after purchasing a new lead acid battery.

(c) A retailer may keep the unrefunded surcharges for lead acid batteries not returned within 30 days.

Sec. 33. Minnesota Statutes 1992, section 325E.12, is amended to read:

325E.12 [PENALTY.]

~~Any person violating~~ Violation of sections 325E.10 to ~~325E.12 shall be guilty of~~ 325E.1151 is a petty misdemeanor. Sections 325E.10 to 325E.1151 may be enforced under section 115.071.

Sec. 34. Minnesota Statutes 1992, section 325E.125, subdivision 1, is amended to read:

Subdivision 1. [LABELING.] (a) The manufacturer of a button cell battery that is to be sold in this state shall ensure that each battery contains no intentionally introduced mercury or is labeled to clearly identify for the final consumer of the battery the type of electrode used in the battery.

(b) The manufacturer of a rechargeable battery that is to be sold in this state shall ensure that each rechargeable battery is labeled to clearly identify for the final consumer of the battery the type of electrode and the name of the manufacturer. The manufacturer of a rechargeable battery shall also provide clear instructions for properly recharging the battery.

Sec. 35. Minnesota Statutes 1992, section 325E.1251, is amended to read:

325E.1251 [PENALTY ENFORCEMENT.]

Subdivision 1. [PENALTY.] Violation of ~~sections 115A.9155 and~~ section 325E.125 is a misdemeanor. A manufacturer who violates ~~section 115A.9155 or~~ section 325E.125 is also subject to a minimum fine of \$100 per violation.

Subd. 2. [RECOVERY OF COSTS.] Section 325E.125 may be enforced under section 115.071. In an enforcement action under this section in which the state prevails, the state may recover reasonable administrative expenses, court costs, and attorney fees incurred to take the enforcement action, in an amount to be determined by the court.

Sec. 36. Minnesota Statutes 1992, section 400.04, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION, CONSTRUCTION, AND OPERATION OF PROPERTY AND FACILITIES.] A county may acquire, construct, enlarge, improve, repair, supervise, control, maintain, and operate any and all solid waste facilities and other property and facilities needed, used, or useful for solid waste management purposes. Notwithstanding any other law to the contrary, a county may ~~contract for recycling services, and~~ purchase and lease materials, equipment, machinery, and such other personal property as is necessary for such purposes including recycling upon terms and conditions determined by the board, with or without advertisement for bids including the use of conditional sales contracts and lease-purchase agreements. If a county contract is let by negotiation, without advertising for bids, the county shall conduct such negotiation and award the contract using a fair and open procedure and in full compliance with section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids. A county may employ such personnel as are reasonably necessary for the care, maintenance and operation of such property and facilities. A county shall contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.

Sec. 37. Minnesota Statutes 1992, section 400.04, subdivision 4, is amended to read:

Subd. 4. [MANAGEMENT AND SERVICE CONTRACTS.] Notwithstanding sections 375.21 and 471.345, a county may enter into contracts for the construction, installation, maintenance and operation of property and facilities on private or public lands and may contract for the furnishing of solid waste management services: upon terms and conditions determined by the board, with or without advertisement for bids, including the use of conditional sales contracts and lease-purchase agreements. If a county contract is let by negotiation, without advertising for bids, the county shall conduct negotiations and award the contract using a fair and open procedure and in full compliance with section 471.705.

Sec. 38. Minnesota Statutes 1992, section 400.08, subdivision 3, is amended to read:

Subd. 3. [SERVICE CHARGES.] The county may establish by ordinance, revise when deemed advisable, and collect just and reasonable rates and charges for solid waste management services provided by the county or by others under contract with the county. The ordinance may obligate the owners, lessees, or occupants of property, or any or all of them, to pay charges for solid waste management services to their properties, including properties owned, leased, or used by the state or a political subdivision of the state, including the regional transit board established in section 473.373, the metropolitan airports commission established in section 473.603, the state agricultural society established in section 37.01, a local government unit, and any other political subdivision, and may obligate the user of any facility to pay a reasonable charge for the use of the facility. Rates and charges may take into account the character, kind, and quality of the service and of the solid waste, the method of disposition, the number of people served at each place of collection, and all other factors that enter into the cost of the service, including but not limited to depreciation and payment of principal and interest on money borrowed by the county for the acquisition or betterment of facilities. A notice of intention to enact an ordinance, published pursuant to section 375.51, subdivision 2, shall provide for a public hearing prior to the meeting at which the ordinance is to be considered.

Sec. 39. Minnesota Statutes 1992, section 473.149, subdivision 6, is amended to read:

Subd. 6. [REPORT TO LEGISLATURE.] The council shall report on abatement to the legislative commission on waste management by ~~November~~ July 1 of each year. The report must include an assessment of whether the objectives of the metropolitan abatement plan have been met and whether each county and each class of city within each county have achieved the objectives set for it in the council's plan. The report must recommend any legislation that may be required to implement the plan. The report shall include the reports required by sections 115A.551, subdivision 5; 473.846; and 473.848, subdivision 4. If in any year the council reports that the objectives of the council's abatement plan have not been met, the council shall evaluate and report on the need to reassign governmental responsibilities among cities, counties, and metropolitan agencies to assure implementation and achievement of the metropolitan and local abatement plans and objectives.

The report in each even-numbered year must include a report on the operating, capital, and debt service costs of solid waste facilities in the metropolitan area; changes in the costs; the methods used to pay the costs; and the resultant allocation of costs among users of the facilities and the general public. The facility costs report must present the cost and financing analysis in the aggregate and broken down by county and by major facility.

Sec. 40. Minnesota Statutes 1992, section 473.803, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REPORT.] By April 1 of each year, each metropolitan county shall prepare and submit ~~annually~~ to the council for its approval a report containing information, as the council may prescribe in its policy plan, concerning solid waste generation and management within the county. The report shall include a statement of progress in achieving the land disposal abatement objectives for the county and classes of cities in the county as stated in the council's policy plan and county master plan. The report must list cities that have not satisfied the county performance standards for local abatement required by subdivision 1c. The report must include a schedule of rates and charges in effect or proposed for the use of any solid waste facility owned or operated by or on its behalf, together with a statement of the basis for such charges.

The report shall contain the recycling development grant report required by section 473.8441 and the annual certification report required by section 473.848.

Sec. 41. Minnesota Statutes 1992, 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 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.

(b) To qualify for distribution of funds, a county, by ~~August 15~~ April 1 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. The report shall be included in the county report required by section 473.803, subdivision 3.

Sec. 42. Minnesota Statutes 1992, section 473.846, is amended to read:

473.846 [REPORT TO LEGISLATURE.]

~~By November 1, 1986, and each year thereafter,~~ The agency and metropolitan council shall submit to the senate finance committee, the house appropriations committee, and the legislative commission on waste management separate reports describing the activities for which money from the landfill abatement account and contingency action funds trust fund has been spent during the previous fiscal year. The agency shall report by November 1 of each year. The council ~~may~~ shall incorporate its report in the report required by section 473.149, due July 1 of each year. ~~In its 1988 report,~~ The council shall make recommendations to the legislature legislative commission on waste management on the future management and use of the metropolitan landfill abatement ~~fund~~ account.

Sec. 43. Minnesota Statutes 1992, section 473.848, subdivision 2, is amended to read:

Subd. 2. [COUNTY CERTIFICATION; COUNCIL APPROVAL.] (a) ~~By April 1 of each year,~~ By April 1 of each year, each county shall submit ~~a semiannual~~ an annual certification report to the council detailing:

(1) the quantity of waste generated in the county that was not processed prior to transfer to a disposal facility during the ~~six months~~ year preceding the report;

(2) the reasons the waste was not processed;

(3) a strategy for development of techniques to ensure processing of waste including a specific timeline for implementation of those techniques; and

(4) any progress made by the county in reducing the amount of unprocessed waste.

The report shall be included in the county report required by section 473.803, subdivision 3.

(b) The council shall approve a county's certification 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~~ two 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.

Sec. 44. Minnesota Statutes 1992, section 473.848, subdivision 3, is amended to read:

Subd. 3. [FACILITY CERTIFICATION; COUNTY REPORTS.] (a) 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 and the reasons the waste is unprocessable. Loads certified as unprocessable must include the loads that would otherwise have been processed but were not processed because the facility was not in operation, but nothing in this section relieves the operator of its contractual obligations to process mixed municipal solid waste.

~~(b) A 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 mixed municipal solid waste.~~

Sec. 45. Laws 1991, chapter 347, article 1, section 15, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO ISSUE.] Pollution control agency staff designated by the commissioner and department of natural resources conservation officers may issue citations to a person who disposes of solid waste as defined in Minnesota Statutes, section 116.06, subdivision 10, at a location not authorized by law for the disposal of solid waste without permission of the owner of the property. A citation issued under this subdivision must include a requirement that the person cited remove and properly dispose or otherwise manage the waste.

Sec. 46. Laws 1991, chapter 347, article 1, section 15, subdivision 6, is amended to read:

Subd. 6. [STUDY OF FIELD CITATION PILOT PROGRAM.] The pollution control agency, in consultation with the department of natural resources and the attorney general, shall prepare a study on the effectiveness and limitations of the field citation pilot program. The study must make recommendations about the continued use of field citations. The study must be submitted to the legislative commission on waste management by November 15, 1992, and must be updated and resubmitted to the commission by November 15, 1993.

Sec. 47. Laws 1991, chapter 347, article 1, section 20, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

Section 19 is effective July 1, ~~1993~~ 1994.

Sec. 48. Laws 1992, chapter 593, article 1, section 55, is amended to read:

Sec. 55. [EFFECTIVE DATE.]

Except as provided in this section, article 1 is effective August 1, 1992.

Sections 22, 31 to 34, 37 to 40, and 45 are effective the day following final enactment.

Section 43 is effective August 1, 1991.

Sections 12; 17; 24; 27, subdivision 1; 29, subdivision 3; and 36 are effective January 1, 1993, and section 36 applies to sweeping compound manufactured on or after that date.

Section 18 is effective for products and packaging manufactured on or after January 1, 1993.

Section 35, paragraph (a), is effective July 1, 1993 January 1, 1997, and paragraph (b) is effective July 1, 1993, and applies those paragraphs apply to batteries manufactured on or after that date those dates.

~~Sections 3 and 29, subdivision 2, are~~ Section 3 is effective August 1, 1993.

Sections 26 and 27, subdivision 2, are effective January 1, 1994.

Section 29, ~~subdivision~~ subdivisions 2 and 4, clauses (1) and (2), are effective August 1, 1994.

Sec. 49. [POLICY PLAN AMENDMENT.]

The metropolitan council shall amend the policy plan required by Minnesota Statutes, section 473.149, to incorporate the requirements imposed by sections 40 to 44.

Sec. 50. [WASTE TIRE REPORT; INCLUSION.]

The waste tire report due to the legislative commission on waste management under Minnesota Statutes, section 115A.913, subdivision 5, by November 15, 1993, must include an evaluation of the adequacy of existing mechanisms and systems for managing waste tires as they are generated. The commissioner of the pollution control agency shall include in the report recommendations for legislation, if needed, to ensure that mechanisms are in place or are put in place to collect, store, transport, recycle, and otherwise manage waste tires properly.

## Sec. 51. [SOLID WASTE MANAGEMENT POLICY REPORT; POSTPONEMENT.]

Under Minnesota Statutes, section 115A.411, a solid waste management policy report is not due to the legislative commission on waste management until July 1, 1996. In the interim, any reports authorized to be included with that report may be submitted as a combined report on or before the dates required for their submission.

## Sec. 52. [PACKAGING REPORT.]

By October 1, 1993, the director of the office of waste management shall report to the legislative commission on waste management, and to the policy and finance committees of the legislature that address environment and natural resources, the current and projected costs of managing waste packaging under existing solid waste management systems.

## Sec. 53. [FLUORESCENT AND HIGH INTENSITY DISCHARGE LAMPS; COLLECTION STUDY.]

The director of the office of waste management, in consultation with representatives of public utilities, electric cooperative associations, and municipal utilities that provide electric service to retail customers, the commissioners of the pollution control agency and the department of public service, the Minnesota technical assistance program, the director of the legislative commission on waste management, residential, commercial, and industrial electric power consumers, local government units, representatives of manufacturers, wholesalers, distributors, retailers, and recyclers of fluorescent and high intensity discharge lamps, and other interested persons, shall examine and evaluate the potential for collection systems for spent fluorescent and high intensity discharge lamps from households and small businesses. The director shall identify barriers to an effective collection system and approaches to reduce and remove those barriers.

By November 1, 1993, the director shall submit a report to the legislative commission on waste management that, at a minimum, recommends:

(1) collection and management systems for spent lamps that are generated within the service areas of public utilities not governed by Minnesota Statutes, section 216B.241, subdivision 5, paragraph (b), cooperative electric associations, and municipal utilities that provide electric service to retail customers; and

(2) an implementation plan that includes provisions for technical assistance to public utilities, electric cooperative associations, municipal utilities, lamp manufacturers, wholesalers, distributors, and retailers, and local government units that establish fluorescent and high intensity discharge lamp promotion programs and collection systems.

Any person may establish or participate in pilot projects to encourage the use and proper management of spent lamps as part of the study required under this section. All the costs incurred by a public utility, cooperative electric association, or municipal utility related to a pilot project are conservation improvement spending for the purposes of Minnesota Statutes 1992, section 216B.241.

## Sec. 54. [SOLID WASTE FACILITIES; PROOF OF FINANCIAL RESPONSIBILITY; STUDY.]

The commissioner of the pollution control agency shall determine whether insurance mechanisms exist that may adequately meet the requirements for proof of financial responsibility for reasonable and necessary response actions at solid waste disposal facilities as required under Minnesota Statutes 1992, section 116.07, subdivision 4h. The commissioner shall report findings made under this section, along with any recommendations for legislation, to the legislative commission on waste management by November 1, 1993. The commissioner shall also review existing regulatory requirements for proof of financial responsibility to ensure that the requirements have resulted in viable and adequate financial mechanisms to cover all projected reasonable and necessary response costs at facilities.

## Sec. 55. [RECYCLING GLOSSY PAPER; TECHNICAL ASSISTANCE; REPORT.]

The director of the office of waste management shall provide technical assistance to persons who collect materials for recycling to encourage collection and recycling of glossy paper magazines and catalogs.

The director shall also survey collectors of recyclable materials in the state and markets for recyclable materials to determine the extent to which glossy paper catalogs and magazines are collected for recycling, the extent to which markets exist for recyclable glossy paper, and the extent to which market demand for glossy paper is being met by recycling collectors. By December 1, 1993, the director shall report to the legislative commission on waste management:

- (1) the approximate percentage of glossy paper in the residential mixed municipal solid waste stream;
- (2) waste management capacity needed to process or dispose of glossy paper as waste and the costs associated with managing glossy paper as waste;
- (3) the percentage of glossy paper that is being collected and marketed for recycling;
- (4) how to balance the supply of and demand for glossy paper for recycling, taking into account facilities and resources necessary for both management as waste and management as a recyclable material;
- (5) the market price for recyclable glossy paper in relation to collection and transportation costs; and
- (6) barriers to collection and marketing of glossy paper for recycling and suggestions for overcoming those barriers while minimizing public subsidization.

Sec. 56. [VOLUME OR WEIGHT BASED FEES; POSTPONEMENT OF EFFECTIVE DATE.]

A local government unit affected by the requirement in Minnesota Statutes 1992, section 115A.9301, to implement volume or weight based fees for solid waste collection may apply to the director of the office of waste management for postponement of the date for implementation of the fees. The director may grant a postponement only if the local government unit submits with its application a plan for evaluating alternative methods for complying with the law and a schedule for implementation of the required volume or weight based fees that the director determines will result in compliance with the law not later than January 1, 1995.

Sec. 57. [BASE UNITS FOR HOMESTEADED MULTIUNIT DWELLINGS.]

Upon application by an owner of a homesteaded multiunit dwelling, a local government unit that collects charges for solid waste collection directly from waste generators shall allocate a single base unit to not more than three dwelling units. The number of base units allocated to a multiunit dwelling must be sufficient to contain the amount of waste generated by the dwelling's occupants. This section expires January 1, 1995.

Sec. 58. [METROPOLITAN LANDFILL SITING; EFFECT OF MORATORIUM AND REPEAL.]

(a) The effects of Laws 1991, chapter 337, sections 84 and 90, paragraph (b), that were effective June 5, 1991 and August 1, 1992 respectively, include that:

(1) no development limitation continued under Minnesota Statutes 1982 to 1990, section 473.806, after December 31, 1992, and a claim for compensation for temporary development rights does not exist for any time period after that date;

(2) the metropolitan council may use the proceeds of bonds issued under Minnesota Statutes 1980 to 1990, section 473.831, to compensate property owners for temporary development rights or to purchase property under Minnesota Statutes 1984 to 1990, section 473.840, if the time period for which compensation for temporary development rights is claimed occurred prior to December 31, 1992, or if the request for purchase of the property was received prior to June 5, 1991; and

(3) a metropolitan county that acquired property under Minnesota Statutes 1984 to 1990, section 473.840, shall sell the property, subject to the approval of the metropolitan council.

(b) A county may lease or rent property that must be sold under paragraph (a), subject to approval of the metropolitan council, and may maintain property and casualty insurance on the property until ownership of the property is transferred. The county shall remit to the council any proceeds from leasing, renting, or selling property subject to this paragraph, less the reasonable expenses of the county to maintain the value of the property and to transfer ownership. The council shall use money remitted to it under this paragraph to retire solid waste debt incurred under Minnesota Statutes 1980 to 1990, section 473.831.

Sec. 59. [PENALTIES FOR ENVIRONMENTAL VIOLATIONS; LIST.]

(a) The attorney general shall compile a complete list of existing civil and criminal penalties for violations of laws and rules administered by the pollution control agency.

(b) The list must be submitted by February 1, 1994, to the senate and house of representatives committees on environment and natural resources, the senate committee on crime prevention, and the house of representatives committee on judiciary.

Sec. 60. [USE OF STATE FUNDS TO INVESTIGATE ENVIRONMENTAL VIOLATIONS.]

The attorney general may not use state funds to investigate violations of Minnesota Statutes, chapter 115 or 116 or section 609.671 unless the attorney general has developed a written policy in consultation with the commissioner of the pollution control agency regarding how these investigations are to be conducted.

Sec. 61. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall delete the phrases "used oil" and "used motor oil" in Minnesota Statutes, sections 115A.03, subdivision 21; 115A.551, subdivision 1; and 115A.935; and insert the phrase "motor and vehicle fluids and filters."

Sec. 62. [EFFECTIVE DATE.]

Section 2, subdivisions 1 and 2, are effective July 1, 1996. Section 16 is effective January 1, 1994, except it is effective for motor oil filters generated by households on January 1, 1995. Sections 22 and 31 are effective August 1, 1994. Section 26 is effective the day following final enactment, except subdivision 2 is effective August 1, 1993. Section 34 is effective January 1, 1997. Section 38 is effective May 20, 1971. Section 60 is effective December 31, 1993."

Delete the title and insert:

"A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging and recycling facility; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; regulating management of certain automobile waste; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of solid waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring labeling of hazardous products; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and requiring certain utilities to collect spent lamps; requiring a study of collection of such lamps; extending by one year the solid waste field citation pilot program; clarifying the effects of the repeal of the metropolitan landfill siting process; requiring an environmental enforcement policy; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122; 16B.123; 16B.24, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding subdivisions; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.965, subdivision 1; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A; and 116."

We request adoption of this report and repassage of the bill.

House Conferees: JEAN WAGENIUS, DENNIS OZMENT, TOM RUKAVINA, ALICE HAUSMAN AND SIDNEY PAULY.

Senate Conferees: JANET B. JOHNSON, TED A. MONDALE, GENE MERRIAM, DAN STEVENS AND KEVIN M. CHANDLER.

Wagenius moved that the report of the Conference Committee on H. F. No. 287 be adopted and that the bill be repassed as amended by the Conference Committee.

Brown, C., moved that the House refuse to adopt the Conference Committee report on H. F. No 287, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Brown, C., motion and the roll was called. There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jaros	Lindner	Ornen	Smith	Waltman
Bertram	Frerichs	Jennings	Macklin	Opatz	Sparby	Wenzel
Bettermann	Girard	Johnson, V.	Molnau	Osthoff	Stanius	Winter
Brown, C.	Goodno	Kalis	Morrison	Pelowski	Steensma	Wolf
Commers	Gruenes	Koppendrayner	Mosel	Peterson	Sviggum	Worke
Dauner	Gutknecht	Krinkie	Nelson	Rhodes	Swenson	Workman
Dauids	Haukoos	Krueger	Ness	Rodosovich	Tompkins	
Dehler	Holsten	Lieder	Olson, E.	Seagren	Tunheim	
Dempsey	Hugoson	Limmer	Olson, M.	Simoneau	Vickerman	

Those who voted in the negative were:

Anderson, I.	Cooper	Huntley	Knickerbocker	Milbert	Perlt	Tomassoni
Anderson, R.	Dawkins	Jacobs	Lasley	Munger	Pugh	Trimble
Asch	Delmont	Jefferson	Leppik	Murphy	Reding	Van Dellen
Battaglia	Dorn	Johnson, A.	Lourey	Neary	Rest	Wagenius
Beard	Evans	Johnson, R.	Luther	Olson, K.	Rice	Weaver
Bergson	Farrell	Kahn	Lynch	Orenstein	Rukavina	Wejzman
Brown, K.	Garcia	Kelley	Mahon	Orfield	Sarna	Spk. Long
Carlson	Greenfield	Kelso	Mariani	Ostrom	Sekhon	
Carruthers	Greiling	Kinkel	McCollum	Ozment	Skoglund	
Clark	Hausman	Klinzing	McGuire	Pauly	Solberg	

The motion did not prevail.

The question recurred on the Wagenius motion that the report of the Conference Committee on H. F. No. 287 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 287, A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for

homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

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 108 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hasskamp	Krueger	Munger	Reding	Trimble
Anderson, I.	Dauner	Hausman	Lasley	Murphy	Rest	Van Dellen
Anderson, R.	Dawkins	Holsten	Leppik	Neary	Rhodes	Vellenga
Asch	Dehler	Huntley	Limmer	Nelson	Rice	Wagenius
Battaglia	Delmont	Jacobs	Lindner	Onnen	Rukavina	Weaver
Bauerly	Dempey	Jaros	Lourey	Opatz	Sarna	Wejcman
Beard	Dorn	Jefferson	Luther	Orenstein	Seagren	Welle
Bergson	Erhardt	Jennings	Lynch	Orfield	Sekhon	Wenzel
Bertram	Evans	Johnson, A.	Macklin	Osthoff	Simoneau	Winter
Bishop	Farrell	Johnson, R.	Mahon	Ostrom	Skoglund	Worke
Blatz	Garcia	Kahn	Mariani	Ozment	Smith	Workman
Brown, K.	Goodno	Kelley	McCollum	Pauly	Solberg	Spk. Long
Carlson	Greenfield	Kelso	McGuire	Pawlenty	Stanius	
Carruthers	Greiling	Kinkel	Milbert	Perlt	Steensma	
Clark	Gruenes	Klinzing	Morrison	Peterson	Swenson	
Commers	Gutknecht	Krickerbocker	Mosel	Pugh	Tomassoni	

Those who voted in the negative were:

Bettermann	Haukoos	Koppendrayer	Ness	Pelowski	Tompkins	Wolf
Brown, C.	Hugoson	Krinkie	Olson, E.	Rodosovich	Tunheim	
Frerichs	Johnson, V.	Lieder	Olson, K.	Sparby	Vickerman	
Girard	Kalis	Molnau	Olson, M.	Sviggum	Waltman	

The bill was repassed, as amended by Conference, 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:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 864, A bill for an act relating to waters; inspection of watercraft for exotic harmful species; gasoline tax distribution; permit fee for aquatic vegetation control; authorizing civil citations and penalties; recommendations on milfoil control on White Bear Lake; appropriating money; amending Minnesota Statutes 1992, sections 18.317, subdivision 3a; 86B.415, subdivision 7; and 103G.615, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 84.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Jennings moved that the House concur in the Senate amendments to H. F. No. 864 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 864, A bill for an act relating to waters; inspection of watercraft for exotic harmful species; permit fee for aquatic vegetation control; authorizing civil penalties; appropriating money; amending Minnesota Statutes 1992, sections 18.317, subdivision 3a; 86B.415, subdivision 7; 103G.615, subdivision 2; 103G.617, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 84.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauer	Hausman	Krinkie	Munger	Pugh	Tomassoni
Anderson, I.	Dawkins	Holsten	Krueger	Murphy	Reding	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Rest	Trimble
Asch	Delmont	Huntley	Leppik	Nelson	Rhodes	Tunheim
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rice	Van Dellen
Bauerly	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vellenga
Beard	Erhardt	Jefferson	Lindner	Olson, K.	Rukavina	Vickerman
Bergson	Evans	Jennings	Lourey	Olson, M.	Sarna	Wagenius
Bertram	Farrell	Johnson, A.	Luther	Onnen	Seagren	Waltman
Bettermann	Frerichs	Johnson, R.	Lynch	Opatz	Sekhon	Weaver
Bishop	Garcia	Johnson, V.	Macklin	Orenstein	Simoneau	Wejcman
Blatz	Girard	Kahn	Mahon	Osthoff	Skoglund	Welle
Brown, C.	Goodno	Kalis	Mariani	Ostrom	Smith	Wenzel
Brown, K.	Greenfield	Kelley	McCollum	Ozment	Solberg	Winter
Carlson	Greiling	Kelso	McGuire	Pauly	Sparby	Wolf
Carruthers	Gruenes	Kinkel	Milbert	Pawlenty	Stanius	Worke
Clark	Gutknecht	Klinzing	Molnau	Pelowski	Steensma	Spk. Long
Commers	Hasskamp	Knickerbocker	Morrison	Perlt	Sviggum	
Cooper	Haukoos	Koppendraye	Mosel	Peterson	Swenson	

The bill was repassed, as amended by the Senate, and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bill as a Special Order to be acted upon immediately preceding printed Special Orders for Thursday, May 13, 1993:

S. F. No. 1081.

**SPECIAL ORDERS**

S. F. No. 1081 was reported to the House.

Carruthers moved that S. F. No. 1081 be continued on Special Orders. The motion prevailed.

S. F. No. 64, A bill for an act relating to game and fish; seasons for taking deer by muzzle-loading firearms.

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	Dawkins	Holsten	Krueger	Neary	Rest	Van Dellen
Anderson, I.	Dehler	Hugoson	Lasley	Nelson	Rhodes	Vellenga
Anderson, R.	Delmont	Huntley	Leppik	Ness	Rodosovich	Vickerman
Asch	Dempsey	Jacobs	Lieder	Olson, E.	Rukavina	Wagenius
Battaglia	Dorn	Jaros	Limmer	Olson, K.	Sarna	Waltman
Bauerly	Erhardt	Jefferson	Lindner	Olson, M.	Seagren	Weaver
Beard	Evans	Jennings	Lourey	Onnen	Sekhon	Wejcman
Bergson	Farrell	Johnson, A.	Luther	Opatz	Skoglund	Wenzel
Bertram	Frerichs	Johnson, R.	Lynch	Orenstein	Smith	Winter
Bettermann	Garcia	Johnson, V.	Macklin	Orfield	Solberg	Wolf
Bishop	Girard	Kahn	Mariani	Osthoff	Sparby	Worke
Blatz	Goodno	Kalis	McCollum	Ostrom	Stanisus	Workman
Brown, C.	Greenfield	Kelley	McGuire	Ozment	Steensma	Spk. Long
Brown, K.	Greiling	Kelso	Milbert	Pauly	Sviggum	
Carlson	Gruenes	Kinkel	Molnau	Pawlenty	Swenson	
Clark	Gutknecht	Klinzing	Morrison	Pelowski	Tomassoni	
Commers	Hasskamp	Knickerbocker	Mosel	Peterson	Tompkins	
Cooper	Haukoos	Koppendraye	Munger	Pugh	Trimble	
Dauner	Hausman	Krinkie	Murphy	Reding	Tunheim	

The bill was passed and its title agreed to.

S. F. No. 1437 was reported to the House:

Jacobs moved to amend S. F. No. 1437, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 16B.61, subdivision 3, is amended to read:

Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.] The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) [SMOKE DETECTION DEVICES.] The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) [DOORS IN NURSING HOMES AND HOSPITALS.] The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) [CHILD CARE FACILITIES IN CHURCHES; GROUND LEVEL EXIT.] A licensed day care center serving fewer than 30 preschool age persons and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.

(e) [CHILD CARE FACILITIES IN CHURCHES; VERTICAL ACCESS.] Until August 1, 1996, an organization providing child care in an existing church building which is exempt from taxation under section 272.02, subdivision 1, clause (5), shall have five years from the date of initial licensure under chapter 245A to provide interior vertical access, such as an elevator, to persons with disabilities as required by the state building code. To obtain the extension, the organization providing child care must secure a \$2,500 performance bond with the commissioner of human services to ensure that interior vertical access is achieved by the agreed upon date.

(f) [FAMILY AND GROUP FAMILY DAY CARE.] The commissioner of administration shall establish a task force to determine occupancy standards specific and appropriate to family and group family day care homes and to examine hindrances to establishing day care facilities in rural Minnesota. The task force must include representatives from rural and urban building code inspectors, rural and urban fire code inspectors, rural and urban county day care licensing units, rural and urban family and group family day care providers and consumers, child care advocacy groups, and the departments of administration, human services, and public safety.

By January 1, 1989, the commissioner of administration shall report the task force findings and recommendations to the appropriate legislative committees together with proposals for legislative action on the recommendations.

Until the legislature enacts legislation specifying appropriate standards, the definition of Group R-3 occupancies in the state building code applies to family and group family day care homes licensed by the department of human services under Minnesota Rules, chapter 9502.

(g) [MINED UNDERGROUND SPACE.] Nothing in the state building codes shall prevent cities from adopting rules governing the excavation, construction, reconstruction, alteration, and repair of mined underground space pursuant to sections 469.135 to 469.141, or of associated facilities in the space once the space has been created, provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained.

(h) [ENCLOSED STAIRWAYS.] No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(i) [DOUBLE CYLINDER DEAD BOLT LOCKS.] No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(j) [RELOCATED RESIDENTIAL BUILDINGS.] A residential building relocated within or into a political subdivision of the state need not comply with the state energy code or section 326.371 provided that, where available, an energy audit is conducted on the relocated building.

(k) [AUTOMATIC GARAGE DOOR OPENING SYSTEMS.] The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

(l) [EXIT SIGN ILLUMINATION.] For a new building on which construction is begun on or after October 1, 1993, or an existing building on which remodeling affecting 50 percent or more of the enclosed space is begun on or after October 1, 1993, the code must prohibit the use of internally illuminated exit signs whose electrical consumption during nonemergency operation exceeds 20 watts of resistive power ~~with a maximum total power consumption of 40 volt amperes (VA).~~ All other requirements in the code for exit signs must be complied with. ~~Power consumption in volt amperes is the resistive power divided by the power factor.~~

Sec. 2. Minnesota Statutes 1992, section 116C.54, is amended to read:

116C.54 [ADVANCE FORECASTING FORECAST REQUIREMENT.]

Subdivision 1. [REPORT.] Every utility which owns or operates, or plans within the next 15 years to own or operate large electric power generating plants or high voltage transmission lines shall develop forecasts as specified in this section. On or before July 1 of each even-numbered year, every such utility shall submit a report of its forecast to the board. The report may be appropriate portions of a single regional forecast or may be jointly prepared and submitted by two or more utilities and shall contain the following information:

(1) Description of the tentative regional location and general size and type of all large electric power generating plants and high voltage transmission lines to be owned or operated by the utility during the ensuing 15 years or any longer period the board deems necessary;

(2) Identification of all existing generating plants and transmission lines projected to be removed from service during any 15 year period or upon completion of construction of any large electric power generating plants and high voltage transmission lines;

(3) Statement of the projected demand for electric energy for the ensuing 15 years and the underlying assumptions for this forecast, such information to be as geographically specific as possible where this demand will occur;

(4) Description of the capacity of the electric power system to meet projected demands during the ensuing 15 years;

(5) Description of the utility's relationship to other utilities and regional associations, power pools or networks; and

(6) Other relevant information as may be requested by the board.

On or before July 1 of each odd-numbered year, a utility shall verify or submit revisions to items (1) and (2).

Subd. 2. [EXCEPTION.] Public electric utilities submitting advance forecasts containing all information specified in subdivision 1 as part of an integrated resource plan filed pursuant to public utilities commission rules shall be excluded from the annual reporting requirement of this section.

Sec. 3. Minnesota Statutes 1992, section 116I.07, subdivision 2, is amended to read:

~~Subd. 2. [NOTICE REQUIREMENT.] An owner or lessee of any real property, or A person acting with the authority of an owner or lessee, who installs or repairs agricultural drainage tile on that property shall be relieved of liability as provided in subdivision 1 only if that owner, lessee or other person acting with authority notifies the designated agent of the owner or operator of the pipeline of the intention to install or repair drainage tile on the property at least seven days before that work commences. An owner or operator of a pipeline shall provide to the county auditor of each county in which that pipeline is located the name, address and phone number of the individual to whom notice shall be given as provided in this subdivision. Notice is effective if made in writing by certified mail to this designated agent of the owner or operator of the pipeline person gives oral or written notice to the one call excavation notice system in compliance with section 216D.04.~~

Sec. 4. Minnesota Statutes 1992, section 216B.09, is amended to read:

216B.09 [STANDARDS; CLASSIFICATIONS; RULES; PRACTICES.]

~~Subdivision 1. [COMMISSION AUTHORITY, GENERALLY.] The commission, after hearing upon reasonable notice had upon pursuant to its own motion or upon complaint, may ascertain and fix just and reasonable standards, classifications, rules, or practices to be observed and followed by any or all public utilities with respect to the service to be furnished;~~

Subd. 2. [ELECTRIC SERVICE.] The commission, after hearing upon reasonable notice pursuant to its own motion or upon complaint, may ascertain and fix adequate and reasonable standards for the measurement of the quantity, quality, pressure, initial voltage, or other condition pertaining to the supply of the service; prescribe reasonable rules for the examination and testing of the service and for the measurement thereof; establish or approve reasonable rules, specifications, and standards to secure the accuracy of all meters, instruments and equipment used for the measurement of any service of any public utility. In this subdivision, service standards or requirements governing any current or voltage originating from the practice of grounding of electrical systems apply to cooperative associations and municipal utilities providing or furnishing retail electric service to agricultural customers.

~~Subd. 3. [FILINGS.] Any standards, classifications, rules, or practices now or hereafter observed or followed by any public utility may be filed by it with the commission, and the same shall continue in force until amended by the public utility or until changed by the commission as herein provided.~~

The commission may require the filing of all rates, including rates charged to and by public utilities.

~~Subd. 4. [APPEARANCES BEFORE FEDERAL AGENCY.] The commission is empowered to appear before the Federal Power Energy Regulatory Commission to offer evidence and to seek appropriate relief in any case in which the rates charged consumers within the state of Minnesota may be affected.~~

Sec. 5. Minnesota Statutes 1992, section 216B.16, subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT.] (a) When a public utility submits a general rate filing, the office of administrative hearings, before conducting a contested case hearing, shall convene a settlement conference including all of the parties for the purpose of encouraging settlement of any or all of the issues in the contested case. If a stipulated settlement is not reached before the contested case hearing, the office of administrative hearings may reconvene the settlement conference during or after completion of the contested case hearing at its discretion or a party's request. The office of administrative hearings or the commission may, upon the request of any party and the public utility, extend the procedural schedule of the contested case in order to permit the parties to engage in settlement discussions. An extension must be for a definite period of time not to exceed 60 days.

(b) If the applicant and all intervening parties agree to a stipulated settlement of the case or parts of the case, the settlement must be submitted to the commission. The commission shall accept or reject the settlement in its entirety and, at any time until its final order is issued in the case, may require the office of administrative hearings to conduct a contested case hearing. The commission may accept the settlement on finding that to do so is in the public interest and is supported by substantial evidence. If the commission does not accept the settlement, it may issue an order modifying the settlement subject to the approval of the parties. Each party shall have ten days in which to reject the proposed modification. If no party rejects the proposed modification, the commission's order becomes final. If the commission rejects the settlement, or a party rejects the commission's proposed modification, a contested case hearing must be completed.

Sec. 6. Minnesota Statutes 1992, section 216B.16, subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF PROPOSED RATES; HEARING; FINAL DETERMINATION DEFINED.] (a) Whenever there is filed with the commission a schedule modifying or resulting in a change in any rates then in force as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than ten months beyond the initial filing date except as provided in paragraph (b) this subdivision or subdivision 1a. During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 250 affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 14, except as otherwise provided in this section. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the utility's revenue requirements and (2) determination of the rate design. Upon issuance of both administrative law judge reports, the issues shall again be joined for consideration and final determination by the commission. All prehearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service. If the commission does not make a final determination concerning a schedule of rates within ten months after the initial filing date, the schedule shall be deemed to have been approved by the commission; except if:

(1) an extension of the procedural schedule has been granted under subdivision 1a, in which case the schedule of rates is deemed to have been approved by the commission on the last day of the extended period of suspension; or

(2) a settlement has been submitted to and rejected by the commission, the schedule is deemed to have been approved 12 months after the initial filing and the commission does not make a final determination concerning the schedule of rates, the schedule of rates is deemed to have been approved 60 days after the initial or, if applicable, the extended period of suspension.

(b) If the commission finds that it has insufficient time during the suspension period to make a final determination of a case involving changes in general rates because of the need to make final determinations of other previously filed cases involving changes in general rates under this section or section 237.075, the commission may extend the suspension period to the extent necessary to allow itself 20 working days to make the final determination after it has made final determinations in the previously filed cases. An extension of the suspension period under this paragraph does not alter the setting of interim rates under subdivision 3.

(c) For the purposes of this section, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all those petitions.

Sec. 7. Minnesota Statutes 1992, section 216B.16, subdivision 3, is amended to read:

Subd. 3. [INTERIM RATES.] Notwithstanding any order of suspension of a proposed increase in rates, the commission shall order an interim rate schedule into effect not later than 60 days after the initial filing date. The commission shall order the interim rate schedule ex parte without a public hearing. Notwithstanding the provisions of sections 216.25, 216B.27 and 216B.52, no interim rate schedule ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to a court until the commission has rendered its final determination. Unless the commission finds that exigent circumstances exist, the interim rate schedule shall be calculated using the proposed test year cost of capital, rate base, and expenses, except that it shall include: (1) a rate of return on common equity for the utility equal to that authorized by the commission in the utility's most recent rate proceeding; (2) rate base or expense items the same in nature and kind as those allowed by a currently effective order of the commission in the utility's most recent rate proceeding; and (3) no change in the existing rate design. In the case of a utility which has not been subject to a prior commission determination, the commission shall base the interim rate schedule on its most recent determination concerning a similar utility.

If, at the time of its final determination, the commission finds that the interim rates are in excess of the rates in the final determination, the commission shall order the utility to refund the excess amount collected under the interim rate schedule, including interest on it which shall be at the rate of interest determined by the commission. The utility shall commence distribution of the refund to its customers within 120 days of the final order, not subject to rehearing or appeal. If, at the time of its final determination, the commission finds that the interim rates are less than the rates in the final determination, the commission shall prescribe a method by which the utility will recover the difference in revenues ~~from~~ between the date of the final determination to and the date the new rate schedules are put into effect. In addition, when an extension is granted for settlement discussions under subdivision 1a, the commission shall allow the utility to also recover the difference in revenues for a length of time equal to the length of the extension.

If the public utility fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefor and may recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled to it. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. The commission shall not order an interim rate schedule in a general rate case into effect as provided by this subdivision until at least four months after it has made a final determination concerning any previously filed change of the rate schedule or the change has otherwise become effective under subdivision 2, unless:

- (1) the commission finds that a four month delay would unreasonably burden the utility, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary; or
- (2) the utility files a second general rate case at least 12 months after it has filed a previous general rate case for which the commission has extended the suspension period under subdivision 2.

Sec. 8. Minnesota Statutes 1992, section 216B.241, subdivision 2a, is amended to read:

Subd. 2a. [ENERGY AND CONSERVATION ACCOUNT.] The commissioner shall deposit money contributed under subdivisions 1a and 1b in the energy and conservation account in the general fund. Money in the account is appropriated to the department for programs designed to meet the energy conservation needs of low-income persons and to make energy conservation improvements in areas not adequately served under subdivision 2. Interest on money in the account accrues to the account. ~~Using information collected under section 216C.02, subdivision 1, paragraph (b),~~ The commissioner shall, to the extent possible, allocate enough money to programs for low-income persons to assure that their needs are being adequately addressed. The commissioner shall request the commissioner of finance to transfer money from the account to the commissioner of jobs and training for an energy conservation program for low-income persons. In establishing programs, the commissioner shall consult political subdivisions and nonprofit and community organizations, especially organizations engaged in providing energy and weatherization assistance to low-income persons. At least one program must address the need for energy conservation improvements in areas in which a high percentage of residents use fuel oil or propane to fuel their source of home heating. The commissioner may contract with a political subdivision, a nonprofit or community organization, a public utility, a municipality, or a cooperative electric association to implement its programs.

Sec. 9. Minnesota Statutes 1992, section 216C.02, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] (a) The commissioner may:

- (1) apply for, receive, and spend money received from federal, municipal, county, regional, and other government agencies and private sources;
- (2) apply for, accept, and disburse grants and other aids from public and private sources;
- (3) contract for professional services if work or services required or authorized to be carried out by the commissioner cannot be satisfactorily performed by employees of the department or by another state agency;
- (4) enter into interstate compacts to carry out research and planning jointly with other states or the federal government when appropriate;
- (5) upon reasonable request, distribute informational material at no cost to the public; and
- (6) enter into contracts 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, without regard to the competitive bidding requirements of chapters 16A and 16B.

~~(b) The commissioner shall collect information on conservation and other energy-related programs carried on by other agencies, by public utilities, by cooperative electric associations, by municipal power agencies, by other fuel suppliers, by political subdivisions, and by private organizations. Other agencies, cooperative electric associations, municipal power agencies, and political subdivisions shall cooperate with the commissioner by providing information requested by the commissioner. The commissioner may by rule require the submission of information by other program operators. The commissioner shall make the information available to other agencies and to the public and, as necessary, shall recommend to the legislature changes in the laws governing conservation and other energy-related programs to ensure that:~~

- ~~(1) expenditures on the programs are adequate to meet identified needs;~~
- ~~(2) the needs of low income energy users are being adequately addressed;~~
- ~~(3) duplication of effort is avoided or eliminated;~~
- ~~(4) a program that is ineffective is improved or eliminated; and~~
- ~~(5) voluntary efforts are encouraged through incentives for their operators.~~

~~The commissioner shall appoint an advisory task force to help evaluate the information collected and formulate recommendations to the legislature. The task force must include low income energy users.~~

~~(c) By January 15 of each year, the commissioner shall report to the legislature on the projected amount of federal money likely to be available to the state during the next fiscal year, including grant money and money received by the state as a result of litigation or settlements of alleged violations of federal petroleum pricing regulations. The report must also estimate the amount of money projected as needed during the next fiscal year to finance a level of conservation and other energy related programs adequate to meet projected needs, particularly the needs of low income persons and households, and must recommend the amount of state appropriations needed to cover the difference between the projected availability of federal money and the projected needs.~~

Sec. 10. Minnesota Statutes 1992, section 216C.11, is amended to read:

216C.11 [ENERGY CONSERVATION INFORMATION CENTER.]

The commissioner shall establish an energy information center in the department's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and alternative sources of energy.

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disseminated. The commissioner shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

The information center shall ~~use the information collected under section 216C.02, subdivision 1,~~ to maintain a central source of information on conservation and other energy-related programs, including both programs required by law or rule and programs developed and carried on voluntarily. In particular, the information center shall compile and maintain information on policies covering disconnections or denials of fuel during cold weather adopted by public utilities and other fuel suppliers not governed by Minnesota Rules, parts 7820.1500 to 7820.2300, including the number of households disconnected or denied fuel and the duration of the disconnections or denials.

Sec. 11. Minnesota Statutes 1992, section 216C.17, subdivision 3, is amended to read:

Subd. 3. [DUPLICATION.] The commissioner shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication. Public electric utilities submitting advance forecasts containing all information specified in section 116C.54, subdivision 1, as part of an integrated resource plan filed pursuant to public utilities commission rules shall be excluded from the annual reporting requirement in subdivision 2.

Sec. 12. Minnesota Statutes 1992, section 216C.37, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] In this section:

(a) "Commissioner" means the commissioner of public service. ~~Upon passage of legislation creating a body known as the Minnesota public facilities authority, the duties assigned to the commissioner in this section are delegated to the authority.~~

(b) "Maxi-audit" means a detailed engineering analysis of energy-saving improvements to existing buildings or stationary energy-using systems, including (1) modifications to building structures; (2) heating, ventilating, and air conditioning systems; (3) operation practices; (4) lighting; and (5) other factors that relate to energy use. The primary purpose of the engineering analysis is to quantify the economic and engineering feasibility of energy-saving improvements that require capital expenditures or major operational modifications.

(c) "Energy conservation investments" ~~mean~~ means all capital expenditures that are associated with conservation measures identified in a maxi-audit or energy project study, and that have a ten-year or less payback period. ~~Public school districts that received a federal institutional building grant in 1984 to convert a heating system to wood, and that apply for an energy conservation investment loan to match a federal grant for wood conversion, shall be allowed to calculate payback of conservation measures based on the costs of the traditional fuel in use prior to the wood conversion.~~

(d) "Municipality" means any county, statutory or home rule charter city, town, school district, or any combination of those units operating under an agreement to jointly undertake projects authorized in this section.

(e) "Energy project study" means a study of one or more energy-related capital improvement projects analyzed in sufficient detail to support a financing application. At a minimum, it must include one year of energy consumption and cost data, a description of existing conditions, a description of proposed conditions, a detailed description of the costs of the project, and calculations sufficient to document the proposed energy savings.

Sec. 13. Minnesota Statutes 1992, section 216D.01, subdivision 5, is amended to read:

Subd. 5. [EXCAVATION.] "Excavation" means an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically powered tool, or machine-powered equipment of any kind, or by explosives. Excavation does not include:

(1) ~~the repair or installation of agricultural drainage tile for which notice has been given as provided by section 116I.07, subdivision 2;~~

~~(2)~~ the extraction of minerals;

~~(3)~~ (2) the opening of a grave in a cemetery;

~~(4)~~ (3) normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the road ditch;

~~(5)~~ (4) plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, trees, and shrubs, unless any of these activities disturbs the soil to a depth of 18 inches or more; or

~~(6)~~ landscaping or (5) gardening unless ~~one of the activities~~ it disturbs the soil to a depth of 12 inches or more; or

~~(7)~~ planting of windbreaks, shelterbelts, and tree plantations, unless any of these activities disturbs the soil to a depth of 18 inches or more.

Sec. 14. Minnesota Statutes 1992, section 216D.04, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF EXCAVATION REQUIRED; CONTENTS.] (a) Except in an emergency, an excavator ~~or land surveyor shall, and a land surveyor may,~~ contact the notification center and provide an excavation or location notice at least 48 hours before beginning any excavation or boundary survey, excluding Saturdays, Sundays, and holidays. An excavation or boundary survey begins, for purposes of this requirement, the first time excavation or a boundary survey occurs in an area that was not previously identified by the excavator or land surveyor in an excavation or boundary survey notice.

(b) The excavation or boundary survey notice may be oral or written, and must contain the following information:

(1) the name of the individual providing the excavation or boundary survey notice;

(2) the precise location of the proposed area of excavation or boundary survey;

(3) the name, address, and telephone number of the excavator or land surveyor ~~or excavator's or land surveyor's company;~~

(4) the excavator's or land surveyor's field telephone number, if one is available;

(5) the type and the extent of the proposed excavation or boundary survey work;

(6) whether or not the discharge of explosives is anticipated; and

(7) the date and time when excavation or boundary survey is to commence.

Sec. 15. Minnesota Statutes 1992, section 299F.011, subdivision 4c, is amended to read:

Subd. 4c. [EXIT SIGN ILLUMINATION.] For a new building on which construction is begun on or after October 1, 1993, or an existing building on which remodeling affecting 50 percent or more of the enclosed space is begun on or after October 1, 1993, the uniform fire code must prohibit the use of internally illuminated exit signs whose electrical consumption during nonemergency operation exceeds 20 watts of resistive power ~~with a maximum total power consumption of 40 volt amperes (VA).~~ All other requirements in the code for exit signs must be complied with: ~~Power consumption in volt amperes is the resistive power divided by the power factor.~~

Sec. 16. Minnesota Statutes 1992, section 446A.03, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The Minnesota public facilities authority consists of the commissioner of trade and economic development, the commissioner of finance, ~~the commissioner of public service,~~ the commissioner of the pollution control agency, and three additional members appointed by the governor from the general public with the advice and consent of the senate.

Sec. 17. Minnesota Statutes 1992, section 446A.10, subdivision 2, is amended to read:

Subd. 2. [OTHER RESPONSIBILITIES.] (a) The responsibilities for the health care equipment loan program under Minnesota Statutes 1986, section 116M.07, subdivisions 7a, 7b, and 7c; ~~the public school energy conservation loan program under section 216C.37; and the district heating and qualified energy improvement loan program under section 216C.36,~~ are transferred from the Minnesota energy and economic development authority to the Minnesota public facilities authority. ~~The commissioner of public service shall continue to administer the municipal energy grant and loan programs under section 216C.36 and the school energy loan program under section 216C.37 until the commissioner of trade and economic development has adopted rules to implement the financial administration of the programs as provided under sections 216C.36, subdivisions 2, 3b, 3c, 8, 8a, and 11, and 216C.37, subdivisions 1 and 8.~~

(b) Except as otherwise provided in this paragraph, section 15.039 applies to the transfer of responsibilities. The transfer includes 8-1/2 positions from the financial management division of the department of trade and economic development to the community development division of the department of trade and economic development. ~~The commissioner of trade and economic development and the commissioner of public service shall determine which classified and unclassified positions associated with the responsibilities of the grant and loan programs under section 216C.36 and the school energy loan program under section 216C.37 are transferred to the commissioner of public service and which positions are transferred to the commissioner of trade and economic development in order to carry out the purposes of Laws 1987, chapter 386, article 3.~~

Sec. 18. Minnesota Statutes 1992, section 465.74, subdivision 1, is amended to read:

Subdivision 1. [CITIES OF THE FIRST CLASS.] Any city operating or authorized to operate a public utility pursuant to chapter 452 or its charter is authorized to acquire, construct, own, and operate a municipal district heating system pursuant to the provisions of that chapter or its charter. Acquisition or construction of a municipal district heating system shall not be subject to the election requirement of sections 452.11 and 452.12, or city charter provision, but must be approved by a three-fifths vote of the city's council or other governing body. Loans obtained by a municipality pursuant to Minnesota Statutes 1992, section 216C.36 are not subject to the limitations on the amount of money which may be borrowed upon a pledge of the city's full faith and credit or the election requirements for general obligation borrowing, contained in section 452.08.

Sec. 19. Minnesota Statutes 1992, section 465.74, subdivision 4, is amended to read:

Subd. 4. [NET DEBT LIMITS.] The loan obligations or debt incurred by a political subdivision pursuant to ~~section 216C.36 or 475.525,~~ or Minnesota Statutes 1992, section 216C.36, shall not be considered as a part of its indebtedness under the provisions of its governing charter or of any law of this state fixing a limit of indebtedness.

Sec. 20. Minnesota Statutes 1992, section 465.74, subdivision 6, is amended to read:

Subd. 6. [DEFINITION.] For the purposes of this section, and chapters 474 and 475, "district heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.

In keeping with the public purpose ~~of section 216C.36, subdivision 1,~~ to encourage state and local leadership and aid in providing available and economical district heating service, the definition of "district heating system" under this section should be broadly construed to allow municipal government sufficient flexibility and authority to evaluate and undertake such policies and projects as will most efficiently and economically encourage local expansion of district heating service.

Sec. 21. [REPEALER.]

Minnesota Statutes 1992, section 216C.36, is repealed.

Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380, are repealed.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 and 15 are effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to utilities; setting requirements for exit sign illumination for new buildings; eliminating advance forecast requirements for public electric utilities submitting advance forecasts in an integrated resource plan; changing excavation exceptions to the one call excavation notice system requirements; eliminating requirement for land surveyors to notify excavation notification center; requiring cooperative electric associations and municipal utilities to comply with standards set by public utilities commission relating to electrical current or voltage; allowing extension of utility rate hearings in certain cases; abolishing certain duties of commissioner of public service relating to energy; eliminating district heating loan program; making technical changes; amending Minnesota Statutes 1992, sections 16B.61, subdivision 3; 116C.54; 116I.07, subdivision 2; 216B.09; 216B.16, subdivisions 1a, 2, and 3; 216B.241, subdivision 2a; 216C.02, subdivision 1; 216C.11; 216C.17, subdivision 3; 216C.37, subdivision 1; 216D.01, subdivision 5; 216D.04, subdivision 1; 299F.011, subdivision 4c; 446A.03, subdivision 1; 446A.10, subdivision 2; and 465.74, subdivisions 1, 4, and 6; repealing Minnesota Statutes 1992, section 216C.36; Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380."

The motion prevailed and the amendment was adopted.

Jacobs and Gruenes moved to amend S. F. No. 1437, as amended, as follows:

Page 6, line 9, strike everything after the comma

Page 6, line 10, delete the underlined language and insert "on"

Page 6, line 10, after "complaint" insert "and after reasonable notice and hearing"

Page 6, line 14, delete "after hearing"

Page 6, delete line 15

Page 6, line 16, delete "complaint" and insert "on its own motion or upon complaint and after reasonable notice and hearing"

Page 7, after line 4, insert:

"Sec. 5. Minnesota Statutes 1992, section 216B.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE.] Unless the commission otherwise orders, no public utility shall change a rate which has been duly established under this chapter, except upon 60 days notice to the commission. The notice shall include statements of facts, expert opinions, substantiating documents, and exhibits ~~including an energy conservation improvement plan pursuant to section 216B.241~~, supporting the change requested, and state the change proposed to be made in the rates then in force and the time when the modified rates will go into effect. If the filing utility does not have an approved conservation improvement plan on file with the department of public service, it shall also include in its notice an energy conservation plan pursuant to section 216B.241. The filing utility shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time."

Page 12, after line 13, insert:

"Sec. 10. Minnesota Statutes 1992, section 216B.2421, subdivision 2, is amended to read:

Subd. 2. [LARGE ENERGY FACILITY.] "Large energy facility" means:

(a) any electric power generating plant or combination of plants at a single site with a combined capacity of 80,000 kilowatts or more, or any facility of ~~5,000~~ 50,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

(b) any high voltage transmission line with a capacity of 200 kilovolts or more and with more than 50 miles of its length in Minnesota; or, any high voltage transmission line with a capacity of 300 kilovolts or more with more than 25 miles of its length in Minnesota;

(c) any pipeline greater than six inches in diameter and having more than 50 miles of its length in Minnesota used for the transportation of coal, crude petroleum or petroleum fuels or oil or their derivatives;

(d) any pipeline for transporting natural or synthetic gas at pressures in excess of 200 pounds per square inch with more than 50 miles of its length in Minnesota;

(e) any facility designed for or capable of storing on a single site more than 100,000 gallons of liquefied natural gas or synthetic gas;

(f) any underground gas storage facility requiring permit pursuant to section 1031.681;

(g) any nuclear fuel processing or nuclear waste storage or disposal facility; and

(h) any facility intended to convert any material into any other combustible fuel and having the capacity to process in excess of 75 tons of the material per hour.

Sec. 11. Minnesota Statutes 1992, section 216B.2421, is amended by adding a subdivision to read:

Subd. 3. [MULTIFUEL FACILITIES; PRIMARY FUEL SOURCE.] If more than one fuel source would be used for any electric power generating plant or combination of plants at a single site, the primary fuel source determines whether the facility is a large energy facility.

Sec. 12. Minnesota Statutes 1992, section 216B.43, is amended to read:

216B.43 [HEARINGS; COMPLAINTS.]

Upon the filing of an application under section 216B.42 or upon complaint by an affected utility that the provisions of sections 216B.39 to 216B.42 have been violated, the commission shall hold a hearing, upon notice, within ~~15~~ 30 days after the filing of the application ~~of or~~ complaint, and shall render its decision within 30 days after ~~said~~ the hearing.

Sec. 13. Minnesota Statutes 1992, section 216B.48, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF AFFILIATED INTERESTS.] "Affiliated interests" with a public utility means the following:

(a) Every corporation and person owning or holding directly or indirectly five percent or more of the voting securities of such public utility.

(b) Every corporation and person in any chain of successive ownership of five percent or more of voting securities.

(c) Every corporation five percent or more of whose voting securities is owned by any person or corporation owning five percent or more of the voting securities of such public utility or by any person or corporation in any such chain of successive ownership of five percent or more of voting securities.

(d) Every person who is an officer or director of such public utility or of any corporation in any chain of successive ownership of five percent or more of voting securities.

(e) Every corporation operating a public utility or a servicing organization for furnishing supervisory, construction, engineering, accounting, legal and similar services to utilities, which has one or more officers or one or more directors in common with the public utility, and every other corporation which has directors in common with the public utility where the number of the directors is more than one-third of the total number of the utility's directors.

(f) Every corporation or person which the commission may determine as a matter of fact after investigation and hearing is actually exercising any substantial influence over the policies and actions of the public utility even though the influence is not based upon stockholding, stockholders, directors or officers to the extent specified in this section.

(g) Every person or corporation who or which the commission may determine as a matter of fact after investigation and hearing is actually exercising substantial influence over the policies and actions of the public utility in conjunction with one or more other corporations or persons with which or whom they are related by ownership or blood relationship or by action in concert that together they are affiliated with such public utility within the meaning of this section even though no one of them alone is so affiliated.

(h) Every subsidiary of a public utility.

(i) Every part of a corporation in which an operating division is a public utility.

Sec. 14. Minnesota Statutes 1992, section 216B.48, subdivision 3, is amended to read:

Subd. 3. [CONTRACTS.] No contract or arrangement, including any general or continuing arrangement, providing for the furnishing of management, supervisory, construction, engineering, accounting, legal, financial or similar services, and no contract or arrangement for the purchase, sale, lease or exchange of any property, right, or thing, or for the furnishing of any service, property, right, or thing, other than those above enumerated, made or entered into after January 1, 1975 between a public utility and any affiliated interest as defined in ~~Laws 1974, chapter 429~~ subdivision 1, clauses (a) to (h), or any arrangement between a public utility and an affiliated interest as defined in subdivision 1, clause (i), made or entered into after August 1, 1993, shall be is valid or effective unless and until the contract or arrangement has received the written approval of the commission. Regular recurring transactions under a general or continuing arrangement that has been approved by the commission are valid if they are conducted in accordance with the approved terms and conditions. ~~It shall be the duty of~~ Every public utility ~~to shall~~ file with the commission a verified copy of the contract or arrangement, or a verified summary of the unwritten contract or arrangement, and also of all the contracts and arrangements, whether written or unwritten, entered into prior to January 1, 1975, or, for the purposes subdivision 1, clause (i), prior to August 1, 1993, and in force and effect at that time. The commission shall approve the contract or arrangement made or entered into after that date only if it ~~shall~~ clearly ~~appear~~ appears and be is established upon investigation that it is reasonable and consistent with the public interest. No contract or arrangement ~~shall~~ may receive the commission's approval unless satisfactory proof is submitted to the commission of the cost to the affiliated interest of rendering the services or of furnishing the property or service ~~described herein~~ to each public utility. ~~No Proof shall be is~~ satisfactory ~~within the meaning of the foregoing sentence unless~~ only if it includes the original or verified copies of the relevant cost records and other relevant accounts of the affiliated interest, or an abstract or summary as the commission may deem adequate, properly identified and duly authenticated, provided, however, that the commission may, where reasonable, approve or disapprove the contracts or arrangements without the submission of cost records or accounts. The burden of proof to establish the reasonableness of the contract or arrangement ~~shall be is~~ on the public utility.

Sec. 15. Minnesota Statutes 1992, section 216B.48, subdivision 4, is amended to read:

Subd. 4. [CONTRACTS WITH CONSIDERATION LESS THAN \$10,000 NOT EXCEEDING \$50,000.] The provisions of this section requiring the written approval of the commission shall not apply to transactions with affiliated interests where the amount of consideration involved is not in excess of ~~\$10,000~~ \$50,000 or five percent of the capital equity of the utility whichever is smaller; provided, however, that regularly recurring payments under a general or continuing arrangement which aggregate a greater annual amount shall not be broken down into a series of transactions to come within the aforesaid exemption. Such transactions shall be valid or effective without commission approval under this section. However, in any proceeding involving the rates or practices of the public utility, the commission may exclude from the accounts of such public utility any payment or compensation made pursuant to the transaction unless the public utility shall establish the reasonableness of the payment or compensation."

Renumber the remaining sections in sequence

Correct internal cross references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Jacobs moved to amend S. F. No. 1437, as amended, as follows:

Page 20, after line 27, insert:

"Sec. 21. [VENTILATION STANDARDS REPORT.]

The department of administration, building code division, shall in consultation with the department of public service develop recommended ventilation standards for single family homes to include mechanical ventilation or other types of ventilation standards and report the proposed standards to the legislature by January 15, 1994."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Murphy moved to amend S. F. No. 1437, as amended, as follows:

Page 20, after line 27, insert:

"Sec. 21. Laws 1981, chapter 354, section 4, is amended to read:

Sec. 4. [HERMANTOWN, PROCTOR, RICE LAKE, AND DULUTH; WATER SERVICE.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "local government unit or units" means the cities of Hermantown and Proctor and the town of Rice Lake.

Subd. 2. [REQUEST FOR SERVICE.] By September 1, 1981, the city of Hermantown a local government unit shall submit to the city of Duluth a request for water service including the volume of water needed and the number of years for which the service is requested.

Subd. 2. 3. [CONTRACT OFFER; RATE.] By April 1, 1982, The city of Duluth shall offer a contract to the city of Hermantown a local government unit to provide the service requested by the city of Hermantown local government unit at a rate determined by the city of Duluth. The rate shall be based on a reasonable allocation of the capital, repair and operating expenses of the Duluth water system which are attributable to the water service requested by the city of Hermantown local government unit, including the full cost of any capital construction and repairs required by the volume of service to the city of Hermantown local government unit. The rate for each local government unit shall provide for an amortization of any construction costs reflected in the rate over a reasonable period not to exceed the terms of the proposed contract.

Subd. 3. 4. [APPEAL TO PUBLIC UTILITIES COMMISSION.] Not later than 90 days after the city of Duluth offers a contract under subdivision 2 3, the city of Hermantown a local government unit may appeal the rate determined by the city of Duluth by filing a petition with the public utilities commission. If a petition is filed, the city shall file its answer within 30 days after the petition is filed. The commission, after public notice and hearing, shall determine whether the rate is just and reasonable consistent with the provisions of subdivision 2 3. Not later than 120 days after a petition of the city of Hermantown is filed, the commission shall affirm the rate or, if it finds that the rate is not just and reasonable, determine a just and reasonable rate. The rulemaking and contested case procedures of sections 15.0412 14.05 to 15.0422 14.62 shall not apply to any proceeding required by this subdivision.

Subd. 4. 5. [CONTRACT.] Not later than 90 days after the rate is affirmed or determined by the commission or, if no appeal is taken under subdivision 3 4, not later than 90 days after a contract is offered under subdivision 2 3, the cities of Hermantown a local government unit and Duluth shall enter a contract for provision of water service by the city of Duluth to the city of Hermantown local government unit. The rate for the service shall be the rate determined by the city of Duluth pursuant to subdivision 2 3 or, if the commission has affirmed or determined a rate, the rate affirmed or determined by the commission."

Page 20, line 36, after the period insert:

"Under Minnesota Statutes 1992, section 645.023, subdivision 1, clause (a), section 21 is effective without local approval on the day following final enactment."

Renumber the remaining sections

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Frerichs and Brown, C., offered an amendment to S. F. No. 1437, as amended.

#### POINT OF ORDER

Pugh raised a point of order pursuant to rule 3.09 that the Frerichs and Brown, C., amendment was not in order. Speaker pro tempore Bauerly ruled the point of order well taken and the amendment out of order.

S. F. No. 1437, A bill for an act relating to utilities; requiring cooperative electric associations and municipal utilities to comply with standards set by public utilities commission relating to electrical current or voltage; regulating public utility commission procedures and filings; regulating affiliated interests of public utilities; providing for interim rates; providing that primary fuel source determines whether power generating plant is a large energy facility for purposes of certificate of need process; amending Minnesota Statutes 1992, sections 216B.09; 216B.16, subdivisions 1, 1a, 2, and 3; 216B.2421, subdivision 2, and by adding a subdivision; 216B.43; and 216B.48, subdivisions 1 and 4.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dauner	Haukoos	Koppendrayner	Munger	Peterson	Swenson
Anderson, I.	Davids	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Lasley	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Battaglia	Delmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Luther	Onnen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejman
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Winter
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Wolf
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Worke
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Stanius	Workman
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Spk. Long
Cooper	Hasskamp	Knickerbocker	Mosel	Perl	Sviggum	

Those who voted in the negative were:

Krinkie

The bill was passed, as amended, and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

### SPECIAL ORDERS, Continued

H. F. No. 570 was reported to the House.

Reding moved to amend H. F. No. 570, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1992, section 353.65, subdivision 2, is amended to read:

Subd. 2. The employee contribution is an amount equal to ~~eight~~ 7.6 percent of the total salary of the member. This contribution must be made by deduction from salary in the manner provided in subdivision 4. Where any portion of a member's salary is paid from other than public funds, the member's employee contribution is based on the total salary received from all sources.

Sec. 2. Minnesota Statutes 1992, section 353.65, subdivision 3, is amended to read:

Subd. 3. The employer contribution shall be an amount equal to ~~12~~ 11.4 percent of the total salary of every member. This contribution shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28."

Page 1, line 9, delete "1" and insert "3"

Page 1, line 11, delete "INCREASE" and insert "CHANGE"

Page 1, line 12, delete "(a) In addition to the contribution rates"

Delete page 1, line 13 to page 2, line 10, and insert:

"(a) If, for three consecutive years, the regular actuarial valuation of the public employees police and fire fund under section 356.215 indicates that the fund has no unfunded actuarial accrued liability and that there is a sufficiency in excess of 0.5 percent of covered payroll when the total actuarial funding requirements of the fund are compared to the total support, the employee and employer contribution rates must be decreased as determined under paragraph (c) to a level such that the sufficiency equals 0.5 percent of covered payroll based on the most recent actuarial valuation.

(b) If, for three consecutive years, the regular actuarial valuation of the public employees police and fire fund under section 356.215 indicates that the fund has an unfunded actuarial accrued liability and that there is a deficiency in excess of 0.5 percent of covered payroll when the total actuarial funding requirements of the fund are compared to the total support, the employee and employer contribution rates must be increased as determined under paragraph (c) so that no deficiency exists based on the most recent actuarial valuation.

(c) The increase or decrease in employee and employer contribution rates required under paragraphs (a) and (b) must maintain the current ratio in employer and employee contribution rates of 40 percent employee contribution and 60 percent employer contribution.

(d) The contribution rate increase or decrease must be determined by the executive director of the public employees retirement association.

(e) The contribution rate increase or decrease is effective on the first full payroll period beginning after June 30 next following the third consecutive annual actuarial valuation disclosing the deficiency or sufficiency specified in paragraph (a) or (b)."

Page 2, line 11, delete "2" and insert "4"

Page 2, line 21, delete "3" and insert "5"

Pages 3 and 4, delete section 4 and insert:

"Sec. 6. [353A.083] [PERA-P&F BENEFIT PLAN APPLICABLE TO PRE-1993 CONSOLIDATIONS.]

For any consolidation account in effect on the date of final enactment of section 6, the public employee police and fire fund benefit plan applicable to consolidation account members who have elected or will elect that benefit plan coverage under section 353A.08 is the pre-July 1, 1993 public employees police and fire fund benefit plan unless the applicable municipality approves the extension of the post-June 30, 1993 public employees police and fire fund benefit plan to the consolidation account.

Sec. 7. Minnesota Statutes 1992, section 356.215, subdivision 4g, is amended to read:

Subd. 4g. [AMORTIZATION CONTRIBUTIONS.] (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation must contain an exhibit indicating the additional annual contribution sufficient to amortize the unfunded actuarial accrued liability. For funds governed by chapters 3A, 352, 352B, 352C, 353, 353C, 354, 354A, and 490, the additional contribution must be calculated on a level percentage of covered payroll basis by the established date for full funding in effect when the valuation is prepared. The level percent additional contribution must be calculated assuming annual payroll growth of 6.5 percent. For all other funds, the additional annual contribution must be calculated on a level annual dollar amount basis.

(b) For any fund other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1989, and each successive actuarial valuation is the first actuarial valuation date occurring after June 1, 2020.

(c) For any fund or plan other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has been a change in any or all of the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding must be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund must be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the unfunded actuarial accrued liability amount determined under item (i) by the established date for full funding in effect before the change must be calculated using the interest assumption specified in subdivision 4d in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund must be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the difference between the unfunded actuarial accrued liability amount calculated under item (i) and the unfunded actuarial accrued liability amount calculated under item (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective must be calculated using the applicable interest assumption specified in subdivision 4d in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution under item (iv) must be added to the level annual dollar amortization contribution or level percentage calculated under item (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in item (iii) is amortized by the total level annual dollar or level percentage amortization contribution computed under item (v) must be calculated using the interest assumption specified in subdivision 4d in effect after any applicable change, rounded to the nearest integral number of years, but not to exceed 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and not to be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect before the change; and

(vii) the period determined under item (vi) must be added to the date as of which the actuarial valuation was prepared and the date obtained is the new established date for full funding.

(d) For the Minneapolis employees retirement fund, the established date for full funding is June 30, 2020.

(e) For the public employees retirement association police and fire fund, an excess of valuation assets over actuarial accrued liability will be amortized in the same manner over the same period as an unfunded actuarial accrued liability but will serve to reduce the required contribution instead of increasing it."

Page 4, line 26, delete "5" and insert "8"

Page 4, delete lines 27 to 29, and insert "Sections 1 and 2 are effective the first full payroll period beginning after December 31, 1993. Sections 3 to 7 are effective July 1, 1993."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 570, A bill for an act relating to retirement; the public employees retirement association; changing employee and employer contribution rates; changing benefits under certain consolidations; increasing the pension benefit multiplier for the public employees police and fire fund; amending Minnesota Statutes 1992, sections 353.65, subdivisions 2, 3, and by adding a subdivision; 353.651, subdivision 3; 353.656, subdivision 1; and 356.215, subdivision 4g; proposing coding for new law in Minnesota Statutes, chapter 353A.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Brown, K.	Dauner	Dorn	Goodno	Haukoos
Anderson, I.	Bergson	Carlson	Davids	Evans	Greenfield	Hausman
Anderson, R.	Bertram	Carruthers	Dawkins	Farrell	Greiling	Holsten
Asch	Bettermann	Clark	Dehler	Frerichs	Gruenes	Huntley
Battaglia	Blatz	Commers	Delmont	Garcia	Gutknecht	Jacobs
Bauerly	Brown, C.	Cooper	Dempsey	Girard	Hasskamp	Jaros

Jefferson	Krueger	McCollum	Olson, K.	Rest	Stanius	Wenzel
Jennings	Lasley	McGuire	Olson, M.	Rhodes	Steensma	Winter
Johnson, A.	Leppik	Milbert	Onnen	Rice	Sviggum	Wolf
Johnson, R.	Lieder	Molnau	Opatz	Rodosovich	Tomassoni	Worke
Johnson, V.	Limmer	Morrison	Osthoff	Rukavina	Trimble	Workman
Kalis	Lindner	Mosel	Ostrom	Sarna	Tunheim	Spk. Long
Kelley	Lourey	Munger	Ozment	Seagren	Van Dellen	
Kelso	Luther	Murphy	Pauly	Sekhon	Vickerman	
Kinkel	Lynch	Neary	Perlt	Simoneau	Wagenius	
Klinzing	Macklin	Nelson	Peterson	Skoglund	Waltman	
Knickerbocker	Mahon	Ness	Pugh	Smith	Weaver	
Koppendraye	Mariani	Olson, E.	Reding	Solberg	Wejzman	

The bill was passed, as amended, and its title agreed to.

S. F. No. 1129 was reported to the House.

Stanius moved to amend S. F. No. 1129, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 45.025, is amended by adding a subdivision to read:

Subd. 10. [ALTERNATIVE COMPLIANCE.] In lieu of complying with the provisions of this section with respect to any deposit or certificate of deposit, a depository institution defined in section 19(b)(1)(A)(i)-(vi) of the Federal Reserve Act, United States Code, title 12, section 461, or a deposit broker defined in section 29(g) of the Federal Deposit Insurance Act, United States Code, title 12, section 1831f(g), may comply with the requirements of the Federal Truth in Savings Act and regulations, notwithstanding whether or not that act or those regulations apply to the deposit or certificate of deposit.

Sec. 2. Minnesota Statutes 1992, section 46.044, is amended to read:

46.044 [CHARTERS ISSUED, CONDITIONS.]

Subdivision 1. [CHARTERS ISSUED, CONDITIONS.] If (1) the applicants are of good moral character and financial integrity, (2) there is a reasonable public demand for this bank in this location, (3) the organization expenses being paid by the bank do not exceed those allowed by section 46.043, (4) the probable volume of business in this location is sufficient to insure and maintain the solvency of the new bank and the solvency of the then existing bank or banks in the locality without endangering the safety of any bank in the locality as a place of deposit of public and private money, (5) the commissioner of commerce is satisfied that the proposed bank will be properly and safely managed, and (6) the commissioner is satisfied that the capital funds required pursuant to section 48.02 are available and the commissioner may accept any reasonable demonstration including subscription agreements supported by current financial statements, and (7) the applicant, if it is an interstate bank holding company, as defined in section 48.92, has provided developmental loans as required by section 48.991, and has complied with the net new funds reporting requirements of section 48.93, the application must be granted; otherwise it must be denied. In case of the denial of the application, the commissioner of commerce shall specify the grounds for the denial. A person aggrieved, may obtain judicial review of the determination in accordance with chapter 14.

Subd. 2. [EXPIRATION AND EXTENSION OF ORDER.] If a bank charter is not activated within 18 months from the date of the order, the approval order automatically expires. Upon request of the applicant prior to the automatic expiration date of the order, the commissioner may grant reasonable extensions of time to the applicant to activate the facility as the commissioner deems necessary. The extensions of time shall not exceed a total of an additional 12 months. If the commissioner's order is the subject of an appeal in accordance with chapter 14, the time period referred to in this section for activation of the bank charter and any extensions shall begin when all appeals or rights of appeal from the commissioner's order have concluded or expired.

Sec. 3. Minnesota Statutes 1992, section 46.048, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] Whenever a change in the outstanding voting stock of a banking institution will result in control or in a change in the control of the banking institution, the person acquiring control of the banking institution shall file notice of the proposed acquisition of control with the commissioner of commerce at least 60 days before the actual effective date of the change. As used in this section, the term "control" means the power to directly or indirectly direct or cause the direction of the management or policies of the banking institution. A change in ownership of capital stock that would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock is not considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control or to effect a change in the control, the doubt shall be resolved in favor of reporting the facts to the commissioner. The commissioner shall use the criteria established by the Financial Institution Regulatory and Interest Rate Control Act of 1987 1978, United States Code, title 12, section 1817(j), and the regulations adopted under it, when reviewing the acquisition and determining if the acquisition should or should not be disapproved.

Sec. 4. Minnesota Statutes 1992, section 46.09, is amended to read:

46.09 [DEPARTMENT OF COMMERCE EXAMINERS OR EMPLOYEES NOT TO MAINTAIN INTEREST IN SUPERVISED INSTITUTIONS.]

Subdivision 1. [PROHIBITION.] No person who is an examiner of financial institutions or other officer of the department of commerce directly responsible for the supervision of financial institutions shall be interested, either directly or indirectly, as a stockholder, director, officer, trustee, assignee, employee, or otherwise, in a bank, savings bank, trust company, financial institution, or corporation holding the stock of any such corporation within this state, or which carries on a banking business within this state, either directly or indirectly, or through an affiliated group or chain bank operating within this state. The provisions of this subdivision do not apply to the commissioner of commerce.

Subd. 2. [EXCEPTIONS.] Officers and examiners of the department of commerce referred to in subdivision 1 may:

- (1) maintain a demand or trust account in any financial institution;
- (2) maintain a savings, time or share account in any financial institution;
- (3) transact business with any national bank, federally chartered savings and loan association or federally chartered credit union;
- (4) transact business with any financial institution or licensee subject to the examination by the commissioner of commerce to the extent the transaction is on the same terms, conditions and to the same extent available to all other customers of the financial institution or licensee.

Subd. 3. [LOANS AND CREDIT ADVANCES.] The exceptions created in subdivision 2 do not include a loan or advance of credit from a financial institution or licensee subject to examination by the commissioner of commerce. A transaction not specifically exempt by subdivision 2, clauses (1) to (3), is subject to disclosure to the commissioner of commerce upon request to determine if a conflict of interest exists or interest contemplated by subdivision 1.

Subd. 4. [APPLICATION.] This section applies to those employees, examiners, and officers of the department of commerce who are directly responsible for the examination and supervision of financial institutions or licensees.

Sec. 5. Minnesota Statutes 1992, section 47.0156, is amended to read:

47.0156 [CLOSING EFFECTING A PERMANENT CESSATION OF BUSINESS.]

The permanent closing of a financial institution as defined in section 47.015 or 47.0151 for purposes, or with a result, other than authorized in sections 47.015 to 47.0155 is unlawful unless at least ~~60~~ 90 days' written notice is given to the commissioner.

Sec. 6. Minnesota Statutes 1992, section 47.096, is amended to read:

47.096 [TIME DEPOSITS; NOTICE OF AUTOMATIC RENEWAL.]

If a deposit for a term of one year or more, including a savings certificate and a certificate of deposit, is automatically renewable by its own terms if not redeemed at a specified redemption date, the financial corporation receiving the deposit shall give mailed written notice to the owner or holder of the deposit not less than 30 days prior to the redemption date. The written notice shall be sent to the last known address of the owner or holder as filed with the financial corporation, shall state the date of the automatic renewal and shall state any penalty diminution of interest or other consequences to the owner or holder arising out of the failure to redeem prior to automatic renewal. In lieu of complying with the provisions of this section, a financial corporation may comply with the requirements of the Federal Truth in Savings Act and regulations, notwithstanding whether or not that act or those regulations apply to the deposit.

Sec. 7. Minnesota Statutes 1992, section 47.20, subdivision 4a, is amended to read:

Subd. 4a. [MAXIMUM INTEREST RATE.] (a) No conventional or cooperative apartment loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate in an amount equal to the Federal National Mortgage Association posted yields on 30-year mortgage commitments for delivery within 60 days on standard conventional fixed-rate mortgages published in the Wall Street Journal for the last business day of the second preceding month plus four percentage points.

~~(b) On or before the last day of each month the commissioner of commerce shall determine, based on available statistics, the maximum lawful rate of interest for conventional or cooperative apartment loans or contracts for deed for the next succeeding month as defined in paragraph (a), and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey county on or before the first day of each month or as soon thereafter as practicable and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of that month.~~

(4) The maximum lawful interest rate applicable to a cooperative apartment loan or contract for deed at the time the loan or contract is made is the maximum lawful interest rate for the term of the cooperative apartment loan or contract for deed. Notwithstanding the provisions of section 334.01, a cooperative apartment loan or contract for deed may provide, at the time the loan or contract is made, for the application of specified different consecutive periodic interest rates to the unpaid principal balance, if no interest rate exceeds the maximum lawful interest rate applicable to the loan or contract at the time the loan or contract is made.

(c) The maximum interest rate that can be charged on a conventional loan or a contract for deed, with a duration of ten years or less, for the purchase of real estate described in section 83.20, subdivision 13, is three percentage points above the rate permitted under paragraph (a) or 15.75 percent per year, whichever is less. This clause is effective August 1, 1992.

(2) ~~(d)~~ Contracts for deed executed pursuant to a commitment for a contract for deed, or conventional or cooperative apartment loans made pursuant to a borrower's interest rate commitment or made pursuant to a borrower's loan commitment, or made pursuant to a commitment for conventional or cooperative apartment loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, which commitment provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time the contract for deed or conventional or cooperative apartment loan is actually executed or made is less than the commitment rate of interest, provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date the commitment was issued. The refinancing of ~~(a)~~ (1) an existing conventional or cooperative apartment loan, ~~(b)~~ (2) a loan insured or guaranteed by the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration, or ~~(c)~~ (3) a contract for deed by making a conventional or cooperative apartment loan is deemed to be a new conventional or cooperative apartment loan for purposes of determining the maximum lawful rate of interest under this subdivision. The renegotiation of a conventional or cooperative apartment loan or a contract for deed is deemed to be a new loan or contract for deed for purposes of ~~clause (1) paragraph (b)~~ and for purposes of determining the maximum lawful rate of interest under this subdivision. A borrower's interest rate commitment or a borrower's loan commitment is deemed to be issued on the date the commitment is hand delivered by the lender to, or mailed to the borrower. A forward commitment is deemed to be issued on the date the forward commitment is hand delivered by the lender to, or mailed to the person paying the forward commitment fee to the lender, or to any one of them if there should be more than one. A commitment for a contract for deed is deemed to be issued on the date the commitment is initially executed by the contract for deed vendor or the vendor's authorized agent.

(3) (e) A contract for deed executed pursuant to a commitment for a contract for deed, or a loan made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a forward commitment for conventional or cooperative apartment loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the commitment was made continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

Sec. 8. Minnesota Statutes 1992, section 47.52, is amended to read:

47.52 [AUTHORIZATION.]

(a) With the prior approval of the commissioner, any bank doing business in this state may establish and maintain not more than five detached facilities provided the facilities are located within the municipality in which the principal office of the applicant bank is located; or within 5,000 feet of its principal office measured in a straight line from the closest points of the closest structures involved; or within 100 miles of its principal office measured in a straight line from the closest points of the closest structures involved, if the detached facility is within any municipality in which no bank is located at the time of application or if the detached facility is in a municipality having a population of more than 10,000, as determined by the commissioner from the latest available data from the state demographer, or if the detached facility is located in a municipality having a population of 10,000 or less, as determined by the commissioner from the latest available data from the state demographer, or for municipalities located in the seven-county metropolitan area from the metropolitan council, and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility.

(b) A detached facility shall not be closer than 50 feet to a detached facility operated by any other bank and shall not be closer than 100 feet to the principal office of any other bank, the measurement to be made in the same manner as provided above. This clause shall not be applicable if the proximity to the facility or the bank is waived in writing by the other bank and filed with the application to establish a detached facility.

(c) Any bank is allowed, in addition to other facilities, one drive-in or walk-up facility located between 150 to 1,500 feet of the main banking house or within 1,500 feet from a detached facility. The drive-in or walk-up facility permitted by this clause is subject to clause (b) and section 47.53.

Sec. 9. Minnesota Statutes 1992, section 47.54, subdivision 4, is amended to read:

Subd. 4. [HEARING.] In any case in which the commissioner grants a request for a hearing, the commissioner shall fix a time for a hearing conducted pursuant to chapter 14 to decide whether or not the application will be granted. A notice of the hearing must be published by the applicant in the form prescribed by the commissioner in a qualified newspaper published in the municipality in which the proposed detached facility is to be located, and if there is no such newspaper, then at the county seat of the county in a qualified newspaper likely to give notice in the municipality in which the proposed detached facility is proposed to be located. The notice must be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the commissioner shall consider the application and hear the applicants and witnesses that appear in favor of or against the granting of the application of the proposed detached facility. If an application is contested and a hearing is granted, 50 percent of an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the commissioner of commerce to be deposited in the general fund, must be paid by the applicant and 50 percent equally by the intervening parties.

Sec. 10. Minnesota Statutes 1992, section 47.55, subdivision 1, is amended to read:

Subdivision 1. [BANKING FACILITIES IN OPERATION PRIOR TO MAY 1, 1971.] A bank may retain and operate one detached facility as it may have had in operation prior to May 1, 1971 without requirement of approval hereunder, provided that its function is limited as provided in section 47.53 and its location conforms with the provisions of section 47.52. A bank having such a retained detached facility shall be limited to operating two five additional detached facilities.

Sec. 11. Minnesota Statutes 1992, section 47.56, is amended to read:

47.56 [TRANSFER OF LOCATION.]

The location of a detached facility may be transferred to another location, subject to the same procedures and approval as required hereunder for establishing a new detached facility, except that the relocation of a detached facility within a municipality of 10,000 or less population shall not require consent of other banks required in section 47.52.

Sec. 12. Minnesota Statutes 1992, section 48.04, is amended to read:

48.04 [INCREASE AND REDUCTION OF CAPITAL.]

No increase or reduction of the capital of any ~~such bank~~ banking institution shall be valid until the entire new capital has been paid in cash, and certified to the commissioner under oath of the president, vice-president, or cashier. The commissioner shall thereupon issue a certificate of that fact and of approval thereof. No reduction of the surplus of any ~~such bank~~ banking institution shall be valid until such reduction has been approved by the commissioner of commerce. No reduction shall affect the liability of any stockholder for any indebtedness incurred prior thereto.

Sec. 13. Minnesota Statutes 1992, section 48.05, is amended to read:

48.05 [CAPITAL NOT TO BE WITHDRAWN; DIVIDENDS.]

No portion of the capital or surplus of any ~~such bank~~ banking institution shall ever be withdrawn by any person or in any way, either in dividends or otherwise, except upon reduction as provided by law. No dividend on common stock shall be made except as provided in section 48.09.

Sec. 14. Minnesota Statutes 1992, section 48.09, is amended to read:

48.09 [DIVIDENDS; SURPLUS.]

At the end of each dividend period, after deducting all necessary expenses, losses, amounts receivable more than one year overdue and not well secured, interest, and taxes due or levied, all of the remaining net profits for the period shall be set aside as a surplus fund, if the surplus fund of ~~such bank~~ the banking institution is not then equal to one-fifth of the capital stock. If the surplus fund is more than one-fifth of the capital stock, ten percent of the remaining net profits for the period shall be set aside as a surplus fund until it equals 50 percent of the capital stock. The directors may then declare a dividend of so much of the remainder as they may think expedient, subject to the commissioner's approval. When in any way impaired the surplus fund shall be raised to this percentage in like manner.

Sec. 15. Minnesota Statutes 1992, section 48.194, is amended to read:

48.194 [INSTALLMENT SALES CONTRACTS; LOANS.]

A person may enter into a credit sale or service contract for sale to a state or national bank doing business in this state, and a bank may purchase and enforce the contract under the terms and conditions set forth in section 51A.385, ~~subdivision subdivisions 2 and 5 to 13~~. A state bank or national bank may extend credit pursuant to the terms and conditions set forth in section 51A.385.

Sec. 16. Minnesota Statutes 1992, section 48.24, subdivision 1, is amended to read:

Subdivision 1. The total liabilities to any such bank, as principal, guarantor or endorser of any individual, including the liabilities of any corporation or limited liability company which the individual owns or controls a majority interest, any partnership, unincorporated association, limited liability company, or corporation, including the liabilities of the several members of ~~a partnership or an unincorporated association and including the liabilities of the general partners but not the limited partners of a partnership~~, and in case of a corporation or limited liability company of all subsidiaries thereof in which such corporation or limited liability company owns or controls a majority interest, shall never exceed 20 percent of its capital actually paid in cash and of its actual surplus fund, except that obligations not to exceed 25 percent of said capital and surplus to any one borrower shall not be included as liabilities for the purposes of this section, but shall be liabilities of the borrowers, provided they are secured by not less than a like amount of any one of the various types of obligations of the United States or which are fully guaranteed as to principal and interest by the United States, and providing that such bonds or obligations have a market value of at least ten percent in excess of the amount loaned thereon at the time each loan is made.

For the purpose of this section the members of a family living together in one household, if borrowed funds are to be used in the conduct of a common enterprise, shall be regarded as one person and the total liabilities of the members of the family shall be limited as herein provided. The endorser or guarantor of any obligation which is exempt from loaning limits according to the provisions of this section shall also be exempt from such loaning limits to the extent of the amount of liability on such obligations for the purposes of this section but shall be liable thereon.

Individual extensions of credit which result in liabilities of individuals ~~or~~, corporations, or limited liability companies exceeding the limitations set forth in this section shall be construed to conform to the provisions of this subdivision upon reduction in an amount sufficient to reduce the total liability to not more than the legal amount, but until paid in full shall not exempt the officer or employee of the bank from being personally liable to the bank for the amount of the original excess portion of the loan as set forth in subdivision 8.

Sec. 17. Minnesota Statutes 1992, section 48.24, subdivision 7, is amended to read:

Subd. 7. Obligations of any person, copartnership, limited liability company, association, or corporation in the form of notes or drafts secured by shipping documents or instruments transferring or securing title covering feeder livestock which is free from all other encumbrances, when the market value of the livestock securing the obligation at the time of the making of the loan is not less than 115 percentum of the face amount of the notes covered by such documents, shall be subject under this subdivision to a limitation of 20 percent of capital and surplus in addition to 20 percent of capital and surplus as included in provisions of subdivision 1. Feeder livestock loans as referred to in this subdivision is defined to include only obligations secured by liens or giving title to cattle, sheep, goats, hogs or poultry being fattened for market, but excluding dairy cattle, milk goats, poultry used for production of eggs, or barnyard or work animals.

Sec. 18. Minnesota Statutes 1992, section 48.24, subdivision 8, is amended to read:

Subd. 8. When a bank shall allow any individual, partnership, limited liability company, unincorporated association, or corporation, or any officer or director of the bank, to become indebted to it, directly or indirectly, in excess of the amount, exclusive of interest permitted by the laws of this state, the officer or employee of the bank willfully permitting or approving the loan shall be guilty of a gross misdemeanor and, in addition thereto, shall be personally liable to the bank for the amount of the loan in excess of the statutory limit.

Sec. 19. Minnesota Statutes 1992, section 48.61, subdivision 2, is amended to read:

Subd. 2. Any such bank or trust company may invest not to exceed ~~two~~ five percent of its capital and surplus in shares of stock in small business investment companies organized under the provisions of the small business investment act of 1958.

Sec. 20. Minnesota Statutes 1992, section 48.61, subdivision 3, is amended to read:

Subd. 3. The bank or trust company may invest not to exceed ten percent of its capital and surplus in shares of stock in any banks or bank holding companies wherein the ~~ownership of stock in~~ ownership of stock in of the banks or bank holding companies is ~~restricted to~~ (1) owned exclusively by bank holding companies or banks, and (2) at least 51 percent of the voting stock is owned or controlled by bank holding companies or banks authorized to do business in the state of Minnesota.

Sec. 21. Minnesota Statutes 1992, section 48.61, subdivision 4, is amended to read:

Subd. 4. Any such bank or trust company may make equity or debt investments in limited partnerships, limited liability companies, corporations, or projects designed primarily to promote community welfare, such as the rehabilitation or development of economically depressed residential, commercial, or industrial areas. A bank or trust company investment in any one limited partnership, limited liability company, corporation, or project shall not exceed ~~two~~ five percent of its capital and surplus and its aggregate investment in all such limited partnerships, limited liability companies, corporations, or projects shall not exceed ~~five~~ ten percent of its capital and surplus.

Sec. 22. Minnesota Statutes 1992, section 49.35, is amended to read:

49.35 [CONSOLIDATION OR MERGER AGREEMENT.]

The respective boards of directors of the consolidating or merging corporations may, by the majority vote of all of the members of each board, make or authorize to be made between the corporations a written agreement, in duplicate, for the consolidation or merger of the corporations. The agreement shall specify each corporation to be a party to the transaction, and shall prescribe the terms and conditions thereof; the mode of carrying it into effect; the authorized capital stock of the consolidated or surviving corporation, ~~which shall not exceed the aggregate authorized capital stock of all of the corporations that are a party thereto;~~ the name of the consolidated or surviving corporation, which may be the name, in whole or in part, of any corporation which is a party to the agreement, and shall specify the city in which it shall have its principal place of business. It shall name the persons who shall constitute the board of directors of the consolidated or surviving corporation, but the number and qualifications of these persons shall be in accordance with the statutes relating to the number and qualifications of directors of that class of corporation.

Sec. 23. Minnesota Statutes 1992, section 49.36, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] This consolidation or merger agreement and certified copy of the proceedings of the meetings of the respective boards of directors, at which the making of the agreement was authorized, must be submitted to the commissioner of commerce for approval with a fee of \$250 payable to the commissioner of commerce. ~~The fee must be paid in equal parts by the parties to~~ The agreement, and it shall not be effective until so approved by the commissioner. The commissioner shall take action after the documents are submitted, and is entitled to further information from any party to the transaction as may be requested by the commissioner, or as may be obtained upon a hearing directed by the commissioner.

Sec. 24. Minnesota Statutes 1992, section 49.36, subdivision 4, is amended to read:

Subd. 4. [NOTICE OF ACQUISITION.] The successor bank shall give reasonable notice of the acquisition to each of the depositors and creditors of an acquired bank or savings association within 30 days after the order is activated. If detached facilities are to be closed as a result of transactions authorized by this section, adequate notice shall be provided by the bank prior to closing, unless the commissioner has acted to prevent the probable failure of the bank or savings association.

Sec. 25. Minnesota Statutes 1992, section 51A.02, subdivision 43, is amended to read:

Subd. 43. [ORGANIZATION.] "Organization" means a corporation, government or governmental subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, or association.

Sec. 26. Minnesota Statutes 1992, section 52.04, subdivision 1, is amended to read:

Subdivision 1. A credit union has the following powers:

(1) to offer its members and other credit unions various classes of shares, share certificates, deposits, or deposit certificates;

(2) to receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other thrift organizations within its membership. Trust funds received by a real estate broker or the broker's salespersons in trust may be deposited in a credit union;

(3) to make loans to members for provident or productive purposes as provided in section 52.16;

(4) to make loans to a cooperative society or other organization having membership in the credit union;

(5) to deposit in state and national banks and trust companies authorized to receive deposits;

(6) to invest in any investment legal for savings banks or for trust funds in the state and, notwithstanding clause (3), to invest in and make loans of unsecured days funds (federal funds or similar unsecured loans) to financial institutions insured by an agency of the federal government and a member of the Federal Reserve System or required to maintain reserves at the Federal Reserve;

(7) to borrow money as hereinafter indicated;

(8) to adopt and use a common seal and alter the same at pleasure;

(9) to make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal Credit Union Act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets. However, payments on shares of and deposit with credit unions chartered by other states are restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause do not apply to share accounts and deposit accounts of the Minnesota corporate credit union in United States central credit union or to share accounts and deposit accounts of credit unions in the Minnesota corporate credit union;

(10) to contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(11) to indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred in connection with or arising out of any action, suit, or proceeding to which that person is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which that person is finally adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of duties. The indemnification is not exclusive of any other rights to which that person may be entitled under any bylaw, agreement, vote of members, or otherwise;

(12) upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make those payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts, but a credit union proposing to permit draft withdrawals shall notify the commissioner of commerce, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals. The board of directors of a credit union may restrict one class of shares to the extent that it may not be redeemed, withdrawn, or transferred except upon termination of membership in the credit union;

(13) to inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;

(14) to facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a subgroup under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, if the credit union obtains written authorization from the member for remittance by share or deposit withdrawals or through proceeds of loans made by the members, or by permitting the credit union to make the payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for expenses incurred or in the case of credit life and accident and health insurance within the meaning of chapter 62B commissions for the handling of the insurance. The amount reimbursed or the commissions received may constitute the general income of the credit union. The directors, officers, committee members and employees of a credit union shall not profit on any insurance sale facilitated through the credit unions;

(15) to contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of commerce like other services;

(16) in furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union;

(17) to rent safe deposit boxes to its members if the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes;

(18) notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118 or section 9.031;

(19) to accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States;

(20) to accept deposits pursuant to section 149.12, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members;

(21) to sell, in whole or in part, real estate secured loans provided that:

(a) the loan is secured by a first lien;

- (b) the board of directors approves the sale;
  - (c) if the sale is partial, the agreement to sell a partial interest shall, at a minimum:
    - (i) identify the loan or loans covered by the agreement;
    - (ii) provide for the collection, processing, remittance of payments of principal and interest, taxes and insurance premiums and other charges or escrows, if any;
    - (iii) define the responsibilities of each party in the event the loan becomes subject to collection, loss or foreclosure;
    - (iv) provide that in the event of loss, each owner shall share in the loss in proportion to its interest in the loan or loans;
    - (v) provide for the distribution of payments of principal to each owner proportionate to its interest in the loan or loans;
    - (vi) provide for loan status reports;
    - (vii) state the terms and conditions under which the agreement may be terminated or modified; and
  - (d) the sale is without recourse or repurchase unless the agreement:
    - (i) requires repurchase of a loan because of any breach of warranty or misrepresentation;
    - (ii) allows the seller to repurchase at its discretion; or
    - (iii) allows substitution of one loan for another;
- (22) in addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner;
- (23) to designate the par value of the shares of the credit union by board resolution;
- (24) to exercise by resolution the powers set forth in United States Code, title 12, section 1757, as amended through ~~August 1, 1985~~ December 31, 1992. Before exercising each power, the board must submit a plan to the commissioner of commerce detailing implementation of the power to be used;
- (25) to offer self-directed individual retirement accounts and Keogh accounts and act as custodian and trustee of these accounts if:
- (1) all contributions of funds are initially made to a deposit, share or share certificate account in the credit union;
  - (2) any subsequent transfer of funds to other assets is solely at the direction of the member and the credit union exercises no investment discretion and provides no investment advice with respect to plan assets; and
  - (3) the member is clearly notified of the fact that National Credit Union Share Insurance Fund coverage is limited to funds held in deposit, share or share certificate accounts of National Credit Union Share Insurance Fund-insured credit unions.

Sec. 27. Minnesota Statutes 1992, section 52.04, is amended by adding a subdivision to read:

Subd. 2a. A person may enter into a credit sale or service contract for sale to a state or federal credit union doing business in this state, and a credit union may purchase and enforce the contract under the terms and conditions set forth in section 51A.385, subdivisions 2 and 5 to 13.

Sec. 28. Minnesota Statutes 1992, section 52.12, is amended to read:

52.12 [CAPITAL; ENTRANCE FEES; UNION TO HAVE LIEN.]

The capital of a credit union includes shares, share certificates, any special class of shares, undivided earnings, reserves, and any entrance or membership fees. The credit union shall have a lien on the shares and deposits of a member for any sum due to the credit union from the member, or for any loan endorsed by that member. In addition to any other statutory right of setoff or lien and subject to any contractual provision, if any party to an account is indebted to a credit union, the credit union has a right to setoff against any account in which the party has or had immediately before death a present right of withdrawal. A credit union may, at its discretion, charge an entrance or annual membership fee if authorized by the bylaws.

Sec. 29. Minnesota Statutes 1992, section 53.03, subdivision 5, is amended to read:

Subd. 5. [PLACE OF BUSINESS.] Not more than one place of business may be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. To the extent that previously filed applicable information remains unchanged, the applicant need not refile this information, unless requested. The filing fee for a branch application shall be \$500 and the investigation fee \$250. ~~If a corporation has been issued more than one certificate of authorization, the corporation shall allocate a portion of capital stock to each office for which a certificate has been issued, in order to comply with the capital requirements of sections 53.02 and 53.05, clause (2), which sections are applicable to each office and the capital allocated thereto in the same manner as if each certificate had been issued to a separate corporation.~~ An industrial loan and thrift corporation with deposit liabilities may change one or more of its locations upon the written approval of the commissioner of commerce. A fee of \$100 must accompany each application to the commissioner for approval to change the location of an established office. An industrial loan and thrift corporation that does not sell and issue thrift certificates for investment may change one or more locations by giving 30 days' written notice to the department of commerce which shall promptly amend the certificate of authorization accordingly. No change in place of business of a company to a location outside of its current trade area or more than 25 miles from its present location, whichever distance is greater, shall be permitted under the same certificate unless all of the applicable requirements of this section have been met.

Sec. 30. Minnesota Statutes 1992, section 53.04, is amended by adding a subdivision to read:

Subd. 5a. A person may enter into a credit sale or service contract for sale to an industrial loan and thrift company operating under this chapter in this state, and an industrial loan and thrift company may purchase and enforce the contract under the terms and conditions set forth in section 51A.385, subdivisions 2 and 5 to 13.

Sec. 31. Minnesota Statutes 1992, section 53.09, is amended by adding a subdivision to read:

Subd. 4. The commissioner may honor requests from interested parties for interpretive opinions in connection with the administration of this chapter. No provision of this chapter or of any other chapter to which this chapter refers which imposes any penalty shall apply to any act done or not done in conformity with any written interpretive opinion of the commissioner, notwithstanding that such written interpretive opinion may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

Sec. 32. Minnesota Statutes 1992, section 56.10, is amended to read:

56.10 [EXAMINATIONS.]

Subdivision 1. For the purpose of discovering violations of this chapter or securing information lawfully required by the commissioner hereunder, the commissioner may, at any time, either personally or by a person or persons duly designated, investigate the loans and business and examine the books, accounts, records, and files used therein, of every licensee and of every person who shall be engaged in the business described in section 56.01, whether the person shall act or claim to act as principal or agent, or under or without the authority of this chapter. For that purpose the commissioner and a duly designated representative shall have free access to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all such persons. The commissioner and all persons duly designated shall have authority to require the attendance of and to examine, under oath, all persons whomsoever whose testimony the commissioner may require relative to the loan or the business or to the subject matter of any examination, investigation, or hearing.

Each licensee shall pay to the commissioner such amount as may be required under section 46.131, and the commissioner may maintain an action for the recovery of such costs in any court of competent jurisdiction.

Subd. 2. The commissioner may honor requests from interested parties for interpretive opinions in connection with the administration of this chapter. No provision of this chapter or of any other chapter to which this chapter refers which imposes any penalty shall apply to any act done or omitted to be done in conformity with any written interpretive opinion of the commissioner, notwithstanding that such written interpretive opinion may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

Sec. 33. Minnesota Statutes 1992, section 56.12, is amended to read:

56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which the commissioner shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as the commissioner may deem necessary to prevent misunderstanding thereof by prospective borrowers. In lieu of the disclosure requirements of this section and section 56.14, a licensee may give the disclosures required by the federal Truth-in-Lending Act.

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chapter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section. No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's primary residence, unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home or a prefabricated building;

or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed.

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it would facilitate evasions of this chapter or of the rules lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail or arranging for settlement and closing of real estate secured loans by an unrelated qualified closing agent at a location other than the licensed location.

Sec. 34. Minnesota Statutes 1992, section 56.131, subdivision 1, is amended to read:

Subdivision 1. [INTEREST RATES AND CHARGES.] (a) On any loan in a principal amount not exceeding \$35,000 or 15 percent of a Minnesota corporate licensee's capital stock and surplus as defined in section 53.015, if greater, a licensee may contract for and receive interest, calculated according to the actuarial method, not exceeding the equivalent of the greater of any of the following:

(1) the total of: (i) 33 percent per year on that part of the unpaid balance of the principal amount not exceeding \$750; and (ii) 19 percent per year on that part of the unpaid balance of the principal amount exceeding \$750; or

(2) 21.75 percent per year on the unpaid balance of the principal amount.

(b) On any loan where interest has been calculated according to the method provided for in paragraph (a), clause (1), interest must be contracted for and earned as provided in that provision or at the single annual percentage rate computed to the nearest 1/100 of one percent that would earn the same total interest at maturity of the contract as would be earned by the application of the graduated rates provided in paragraph (a), clause (1), when the debt is paid according to the agreed terms and the calculations are made according to the actuarial method.

(c) Loans may be interest-bearing or precomputed.

(d) To compute time on interest-bearing and precomputed loans, including, but not limited to the calculation of interest, a day is considered 1/30 of a month when calculation is made for a fraction of a calendar month. A year is 12 calendar months. A calendar month is that period from a given date in one month to the same numbered date in the following month, and if there is no same numbered date, to the last day of the following month. When a period of time includes a whole month and a fraction of a month, the fraction of a month is considered to follow the whole month.

In the alternative, for interest-bearing loans, a licensee may charge interest at the rate of 1/365 of the agreed annual rate for each actual day elapsed.

(e) With respect to interest-bearing loans:

(1) Interest must be computed on unpaid principal balances outstanding from time to time, for the time outstanding. Each payment must be applied first to the accumulated interest and the remainder of the payment applied to the unpaid principal balance; provided however, that if the amount of the payment is insufficient to pay the accumulated interest, the unpaid interest continues to accumulate to be paid from the proceeds of subsequent payments and is not added to the principal balance.

(2) Interest must not be payable in advance or compounded. However, if part or all of the consideration for a new loan contract is the unpaid principal balance of a prior loan, then the principal amount payable under the new loan contract may include any unpaid interest which has accrued. The unpaid principal balance of a precomputed loan is the balance due after refund or credit of unearned interest as provided in paragraph (f), clause (3). The resulting loan contract is deemed a new and separate loan transaction for all purposes.

(f) With respect to precomputed loans:

(1) Loans must be repayable in substantially equal and consecutive monthly installments of principal and interest combined, except that the first installment period may be more or less than one month by not more than 15 days, and the first installment payment amount may be larger than the remaining payments by the amount of interest charged for the extra days and must be reduced by the amount of interest for the number of days less than one month to the first installment payment; and monthly installment payment dates may be omitted to accommodate borrowers with seasonal income.

(2) Payments may be applied to the combined total of principal and precomputed interest until the loan is fully paid. Payments must be applied in the order in which they become due.

(3) When any loan contract is paid in full by cash, renewal or refinancing, or a new loan, one month or more before the final installment due date, a licensee shall refund or credit the borrower with the total of the applicable charges for all fully unexpired installment periods, as originally scheduled or as deferred, which follow the day of prepayment; if the prepayment is made other than on a scheduled payment date, the nearest scheduled installment payment date must be used in the computation; provided further, if the prepayment occurs prior to the first installment due date, the licensee may retain 1/30 of the applicable charge for a first installment period of one month for each day from the date of the loan to the date of prepayment, and shall refund or credit the borrower with the balance of the total interest contracted for. If the maturity of the loan is accelerated for any reason and judgment is entered, the licensee shall credit the borrower with the same refund as if prepayment in full had been made on the date the judgment is entered.

(4) If an installment, other than the final installment, is not paid in full within ten days of its scheduled due date, a licensee may contract for and receive a default charge not exceeding five percent of the amount of the installment, but not less than \$4.

A default charge under this subdivision may not be collected on an installment paid in full within ten days of its scheduled due date, or deferred installment due date with respect to deferred installments, even though a default or deferral charge on an earlier installment has not been paid in full. A default charge may be collected at the time it accrues or at any time thereafter.

(5) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a licensee may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred payment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. Should a loan be prepaid in full during a deferment period, the licensee shall make or credit to the borrower a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(6) If two or more installments are delinquent one full month or more on any due date, and if the contract so provides, the licensee may reduce the unpaid balance by the refund credit which would be required for prepayment in full on the due date of the most recent maturing installment in default. Thereafter, and in lieu of any other default or deferment charges, the single annual percentage rate permitted by this subdivision may be charged on the unpaid balance until fully paid.

(7) Following the final installment as originally scheduled or deferred, the licensee, for any loan contract which has not previously been converted to interest-bearing under clause (6), may charge interest on any balance remaining unpaid, including unpaid default or deferment charges, at the single annual percentage rate permitted by this subdivision until fully paid.

(8) With respect to a loan secured by an interest in real estate, and having a maturity of more than 60 months, the original schedule of installment payments must fully amortize the principal and interest on the loan. The original schedule of installment payments for any other loan secured by an interest in real estate must provide for payment amounts that are sufficient to pay all interest scheduled to be due on the loan.

Sec. 35. [56.132] [INSTALLMENT SALES CONTRACTS.]

A person may enter into a credit sale or service contract for sale to a licensee under this chapter doing business in this state, and a licensee may purchase and enforce the contract under the terms and conditions set forth in section 51A.385, subdivisions 2 and 5 to 13.

Sec. 36. Minnesota Statutes 1992, section 56.155, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] No licensee shall, directly or indirectly, sell or offer for sale any insurance in connection with any loan made under this chapter except as and to the extent authorized by this section. The sale of credit life and credit accident and health insurance is subject to the provisions of chapter 62B, except that the term of the insurance may exceed 60 months if the term of the loan exceeds 60 months. Life, accident, and health insurance,

or any of them, may be written upon or in connection with any loan but must not be required as additional security for the indebtedness. If the debtor chooses to procure credit life insurance or credit accident and health insurance as security for the indebtedness, the debtor shall have the option of furnishing this security through existing policies of insurance that the debtor owns or controls, or of furnishing the coverage through any insurer authorized to transact business in this state. A statement in substantially the following form must be made orally, except for loans by mail pursuant to section 56.12, and provided in writing in bold face type of a minimum size of 12 points to the borrower before the transaction is completed for each credit life and accident and health insurance coverage sold:

**CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE ARE NOT REQUIRED TO OBTAIN CREDIT. YOU MAY BUY ANY INSURANCE FROM ANYONE YOU CHOOSE OR YOU MAY USE EXISTING INSURANCE.**

The licensee shall disclose whether or not the benefits commence as of the first day of disability and shall further disclose the number of days that an insured obligor must be disabled, as defined in the policy, before benefits, whether retroactive or nonretroactive, commence. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit accident and health benefits may be procured by or through a licensee upon more than one of the obligors. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit life insurance may be procured by or through a licensee upon more than two of the obligors in which case they shall be insured jointly. The premium or identifiable charge for the insurance must not exceed that filed by the insurer with the department of commerce. The charge, computed at the time the loan is made for a period not to exceed the full term of the loan contract on an amount not to exceed the total amount required to pay principal and charges, may be deducted from the proceeds or may be included as part of the principal of any loan. If a borrower procures insurance by or through a licensee, the statement required by section 56.14 must disclose the cost to the borrower and the type of insurance, and the licensee shall cause to be delivered to the borrower a copy of the policy, certificate, or other evidence thereof, within a reasonable time. No licensee shall decline new or existing insurance which meets the standards set out in this section nor prevent any obligor from obtaining this insurance coverage from other sources. Notwithstanding any other provision of this chapter, any gain or advantage to the licensee or to any employee, affiliate, or associate of the licensee from this insurance or the sale or provision thereof is not an additional or further charge in connection with the loan; nor are any of the provisions pertaining to insurance contained in this section prohibited by any other provision of this chapter.

Sec. 37. Minnesota Statutes 1992, section 59A.02, subdivision 3, is amended to read:

Subd. 3. [LICENSEE.] "Licensee" means a person licensed by the commissioner to engage in the business of insurance premium financing. The term does not include a person in the business of insurance premium financing exclusively financing premiums for business, agricultural, or corporate purposes.

Sec. 38. Minnesota Statutes 1992, section 82B.03, subdivision 2, is amended to read:

Subd. 2. [LICENSE NOT REQUIRED.] (a) An officer or employee of a corporation, partnership, or other business entity may act as a real estate appraiser without obtaining a license under this chapter if the corporation, partnership, or other business entity in which the person is employed or is an officer has an interest in the real estate that is the subject of the appraisal as owners, lenders, investors, or insurers.

(b) An Notwithstanding licensure under this chapter any appraisal conducted by a person exempt under this subdivision is only 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 Office of Thrift Supervision, the Federal Reserve Board, the Farm Credit Administration, the National Credit Union Administration, or the comptroller of the currency, if the appraisal was conducted only within the scope and purpose of this subdivision.

(c) If a real estate appraisal is made by a person who is exempt from licensing under this subdivision, the person for whom the appraisal is conducted must be given written notice that the appraisal was not conducted by a licensed appraiser, and the appraisal report must clearly state that it was conducted by an interested party and not by a licensed real estate appraiser.

Sec. 39. Minnesota Statutes 1992, section 300.20, subdivision 2, is amended to read:

Subd. 2. [VACANCIES.] If the certificate of incorporation or the bylaws so provides, a vacancy in the board of directors may be filled by the remaining directors. Not more than one-third of the members of the board may be so filled in any one year except any number may be appointed to provide for at least three directors until any subsequent meeting of the stockholders.

Sec. 40. Minnesota Statutes 1992, section 300.21, is amended to read:

300.21 [OFFICERS.]

Every domestic corporation, except when otherwise specially provided, must have a president, secretary, and treasurer, and may have one or more vice-presidents and other officers, as its certificate of incorporation or bylaws may provide. The time and manner of their election and their respective duties must be prescribed in the certificate of incorporation or in the bylaws. Only one president of record may act on behalf of the corporation; however, additional officers may be titled president for purposes of empowering those additional officers to function as managing officers of detached facilities of banks.

Sec. 41. Minnesota Statutes 1992, section 336.4-104, is amended to read:

336.4-104 [DEFINITIONS AND INDEX OF DEFINITIONS.]

(a) In this article, unless the context otherwise requires:

(1) "Account" means any deposit or credit account with a bank, including a demand, time, savings, passbook, share draft, or like account, other than an account evidenced by a certificate of deposit;

(2) "Afternoon" means the period of a day between noon and midnight;

(3) "Banking day" means ~~the~~ that part of a any day, excluding Saturday, Sunday, and holidays, on which a bank is open to the public for carrying on substantially all of its banking functions;

(4) "Clearinghouse" means an association of banks or other payors regularly clearing items;

(5) "Customer" means a person having an account with a bank or for whom a bank has agreed to collect items, including a bank that maintains an account at another bank;

(6) "Documentary draft" means a draft to be presented for acceptance or payment if specified documents, certificated securities (section 336.8-102) or instructions for uncertificated securities (section 336.8-308), or other certificates, statements, or the like are to be received by the drawee or other payor before acceptance or payment of the draft;

(7) "Draft" means a draft as defined in section 336.3-104 or an item, other than an instrument, that is an order;

(8) "Drawee" means a person ordered in a draft to make payment;

(9) "Item" means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a payment order governed by article 4A or a credit or debit card slip;

(10) "Midnight deadline" with respect to a bank is midnight on its next banking day following the banking day on which it receives the relevant item or notice or from which the time for taking action commences to run, whichever is later;

(11) "Settle" means to pay in cash, by clearinghouse settlement, in a charge or credit or by remittance, or otherwise as agreed. A settlement may be either provisional or final;

(12) "Suspends payments" with respect to a bank means that it has been closed by order of the supervisory authorities, that a public officer has been appointed to take it over, or that it ceases or refuses to make payments in the ordinary course of business.

(b) Other definitions applying to this article and the sections in which they appear are:

"Agreement for electronic presentment," section 336.4-110

"Bank," section 336.4-105

"Collecting bank," section 336.4-105

"Depository bank," section 336.4-105

"Intermediary bank," section 336.4-105

"Payor bank," section 336.4-105

"Presenting bank," section 336.4-105

"Presentment notice," section 336.4-110

(c) The following definitions in other articles apply to this article:

"Acceptance," section 336.3-409

"Alteration," section 336.3-407

"Cashier's check," section 336.3-104

"Certificate of deposit," section 336.3-104

"Certified check," section 336.3-409

"Check," section 336.3-104

"Good faith," section 336.3-103

"Holder in due course," section 336.3-302

"Instrument," section 336.3-104

"Notice of dishonor," section 336.3-503

"Order," section 336.3-103

"Ordinary care," section 336.3-103

"Person entitled to enforce," section 336.3-301

"Presentment," section 336.3-501

"Promise," section 336.3-103

"Prove," section 336.3-103

"Teller's check," section 336.3-104

"Unauthorized signature," section 336.3-403

(d) In addition, article 1 contains general definitions and principles of construction and interpretation applicable throughout this article.

Sec. 42. [REPEALER.]

Minnesota Statutes 1992, sections 46.048, subdivision 2; and 48.24, subdivision 4, are repealed.

Sec. 43. [EFFECTIVE DATE.]

Sections 1 to 4, 6 to 21, 23 and 24, 26 to 33, and 35 to 39, are effective immediately upon final enactment. Section 5 is effective October 1, 1993, and section 34 is effective June 1, 1993.

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating institutions, deposits, rates and charges, enforcement provisions; modifying the definition of insurance premium finance licensee; amending Minnesota Statutes 1992, sections 45.025, by adding a subdivision; 46.044; 46.048, subdivision 1; 46.09; 47.0156; 47.096; 47.20, subdivision 4a; 47.52; 47.54, subdivision 4; 47.55, subdivision 1; 47.56; 48.04; 48.05; 48.09; 48.194; 48.24, subdivisions 1, 7, and 8; 48.61, subdivisions 2, 3, and 4; 49.35; 49.36, subdivisions 1 and 4; 51A.02, subdivision 43; 52.04, subdivision 1, and by adding a subdivision; 52.12; 53.03, subdivision 5; 53.04, by adding a subdivision; 53.09, by adding a subdivision; 56.10; 56.12; 56.131, subdivision 1; 56.155, subdivision 1; 59A.02, subdivision 3; 82B.03, subdivision 2; 300.20, subdivision 2; 300.21; 336.4-104; proposing coding for new law in Minnesota Statutes, chapter 56; repealing Minnesota Statutes 1992, sections 46.048, subdivision 2; and 48.24, subdivision 4."

The motion prevailed and the amendment was adopted.

Stanius moved to amend S. F. No. 1129, as amended, as follows:

Page 36, line 10, delete "21" and insert "15, 19 to 21"

Page 36, line 11, delete "immediately upon" and insert "the day following"

Page 36, line 13, after the period, insert "Sections 17, 18, and 25 are effective retroactive to January 1, 1993. Section 16 is effective the day following final enactment, except that the changes relating to limited liability companies are effective retroactive to January 1, 1993."

The motion prevailed and the amendment was adopted.

Simoneau moved to amend S. F. No. 1129, as amended, as follows:

Page 3, after line 5, insert:

"Sec. 3. Minnesota Statutes 1992, section 46.045, is amended by adding a subdivision to read:

Subd. 4. [DEPOSIT INSURANCE.] In any case where Minnesota Statutes require, either generally or by reference to a specific program, that deposits in any financial institution be insured, the requirement shall be deemed satisfied if the deposits are insured in the requisite amount by an agency of the federal government insuring deposits."

Page 10, after line 16, insert:

"Sec. 13. Minnesota Statutes 1992, section 47.58, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Reverse mortgage loan" means a loan:

(1) Made to a borrower wherein the committed principal amount is paid to the borrower in equal or unequal installments over a period of months or years, interest is assessed, and authorized closing costs are incurred as specified in the loan agreement;

(2) Which is secured by a mortgage on residential property owned solely by the borrower; and

(3) Which is due when the committed principal amount has been fully paid to the borrower, or upon sale of the property securing the loan, or upon the death of the last surviving borrower, or upon the borrower terminating use of the property as principal residence so as to disqualify the property from the homestead credit given in chapter 290A.

(b) "Lender" means any bank subject to chapter 48, credit union subject to chapter 52, savings bank organized and operated pursuant to chapter 50, savings and loan association subject to chapter 51A, or any insurance company as defined in section 60A.02, subdivision 4. "Lender" also includes any federally chartered bank supervised by the comptroller of the currency or federally chartered savings and loan association supervised by the federal home loan bank board or federally chartered credit union supervised by the National Credit Union Administration, to the extent permitted by federal law.

(c) "Borrower" includes any natural person holding an interest in severalty or as joint tenant or tenant-in-common in the property securing a reverse mortgage loan.

(d) "Outstanding loan balance" means the current net amount of money owed by the borrower to the lender whether or not that sum is suspended pursuant to the terms of the reverse mortgage loan agreement or is immediately due and payable. The outstanding loan balance is calculated by adding the current totals of the items described in clauses (1) to (5) and subtracting the current totals of the item described in clause (6):

(1) The sum of all payments made by the lender which are necessary to clear the property securing the loan of any outstanding mortgage encumbrance or mechanics or material supplier's lien.

(2) The total disbursements made by the lender to date pursuant to the loan agreement as formulated in accordance with subdivision 3.

(3) All taxes, assessments, insurance premiums and other similar charges paid to date by the lender pursuant to subdivision 6, which charges were not reimbursed by the borrower within 60 days.

(4) All actual closing costs which the borrower has deferred, if a deferral provision is contained in the loan agreement as authorized by subdivision 7.

(5) The total accrued interest to date, as authorized by subdivision 5.

(6) All payments made by the borrower pursuant to subdivision 4.

(e) "Actual closing costs" mean reasonable charges or sums ordinarily paid at the time of closing for the following, whether or not retained by the lender:

(1) Any insurance premiums on policies covering the mortgaged property including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance.

(2) Abstracting, title examination and search, and examination of public records related to the mortgaged property.

(3) The preparation and recording of any or all documents required by law or custom for closing a reverse mortgage loan agreement.

(4) Appraisal and survey of real property securing a reverse mortgage loan.

(5) A single service charge, which service charge shall include any consideration, not otherwise specified in this section as an "actual closing cost," paid by the borrower to the lender for or in relation to the acquisition, making, refinancing or modification of a reverse mortgage loan, and shall also include any consideration received by the lender for making a commitment for a reverse mortgage loan, whether or not an actual loan follows the commitment. The service charge shall not exceed one percent of the bona fide committed principal amount of the reverse mortgage loan.

(6) Charges and fees necessary for or related to the transfer of real property securing a reverse mortgage loan or the closing of a reverse mortgage loan agreement paid by the borrower and received by any party other than the lender."

Page 14, after line 24, insert:

"Sec. 24. Minnesota Statutes 1992, section 48.64, is amended to read:

48.64 [DEPOSITS OF TRUST FUNDS.]

Any person, firm, or corporation appointed by a court of competent jurisdiction as representative of the estate of a deceased person, or as guardian, or any trustee of a firefighters' relief association, or any referee, receiver, or trustee appointed by a court of record in this state, may deposit funds for safekeeping and disbursing, unless otherwise directed by the court, in any bank, credit union, if the beneficial owner is a member, or trust company, however organized, the deposits of which are insured, in whole or in part, by ~~the Federal Deposit Insurance Corporation~~ an agency of the federal government insuring deposits, to the extent that the funds so deposited are fully insured.

Sec. 25. Minnesota Statutes 1992, section 48.86, is amended to read:

48.86 [TRUST FUNDS; INVESTMENT OF ACCUMULATIONS.]

Any amount not less than \$500 received by any trust company as executor, administrator, guardian, or other trustee, or by order of court, not required for the purposes of such trust, or not to be accounted for within one year, it shall invest as soon as practicable in authorized securities either then held by it or specially procured by it; and the income, less its proper charges, shall become part of the trust estate, and the net accumulations thereon shall be likewise invested, accounted for, and allowed in the settlement of such trust.

Except as may be otherwise provided in the governing will, trust agreement, court order or other instrument, any amount in a trust account may be invested in certificates of deposit, share certificates, or savings accounts in any bank or banks, or credit union, if the beneficial owner is a member, provided that such certificates of deposit, share certificates, or savings accounts are fully insured by ~~the federal deposit insurance corporation~~ an agency of the federal government insuring deposits and receive the prevailing rate of interest on such certificates or savings accounts."

Page 19, line 14, before the semicolon insert "or other applicable law and to receive deposits of trust funds provided that either the provider or the beneficial owner of the funds is a member of the credit union accepting the deposit"

Page 30, after line 20, insert:

"Sec. 41. Minnesota Statutes 1992, section 80A.14, subdivision 4, is amended to read:

Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for that person's own account. "Broker-dealer" does not include:

(1) an agent;

(2) an issuer;

(3) a trust company; or

(4) a bank, savings institution, savings and loan association, credit union:

(i) acting for the account of others, provided that such activities are conducted in compliance with such rules as may be adopted by the commissioner;

(ii) acting for its own account; or

(iii) acting in a fiduciary capacity pursuant to the powers and privileges described by sections 48.36 to 48.49 or United States Code, title 12, section 92(a);

(5) a person who has no place of business in this state if that person effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or

(6) other persons not within the intent of this subsection whom the commissioner by rule or order designates.

Sec. 42. Minnesota Statutes 1992, section 80A.14, subdivision 9, is amended to read:

Subd. 9. [INVESTMENT ADVISER.] "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications, writings or electronic means, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" does not include:

(1) a bank, savings institution, credit union, or trust company;

(2) a lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of that person's profession;

(3) a broker-dealer whose performance of these services is solely incidental to the conduct of the business as a broker-dealer and who receives no special compensation for them;

(4) a publisher of any newspaper, news column, newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client; or

(5) other persons not within the intent of this subdivision as the commissioner may by rule or order designate."

Page 36, after line 5, insert:

"Sec. 47. Minnesota Statutes 1992, section 540.08, is amended to read:

540.08 [INJURY TO CHILD OR WARD; SUIT BY PARENT OR GUARDIAN.]

A parent may maintain an action for the injury of a minor son or daughter. A general guardian may maintain an action for an injury to the ward. A guardian of a dependent, neglected, or delinquent child, appointed by a court having jurisdiction, may maintain an action for the injury of the child. If no action is brought by the father or mother, an action for the injury may be brought by a guardian ad litem, either before or after the death of the parent. Before a parent receives property as a result of the action, the parent shall file a bond as the court prescribes and approves as security therefor. In lieu of this bond, upon petition of the parent, the court may order that the property received be invested in securities issued by the United States, which shall be deposited pursuant to the order of the court, or that the property be invested in a savings account, savings certificate, or certificate of deposit, or share certificate, in a bank, savings and loan association, or trust company, credit union in which either the depositor or beneficiary is a member, or an annuity or other form of structured settlement, subject to the order of the court. A copy of the court's order and the evidence of the deposit shall be filed with the court administrator. Money or assets in an account established by the court under this section are not available to the minor child or the child's parent or guardian until released by the court to the child or the child's parent or guardian. No settlement or compromise of the action is valid unless it is approved by a judge of the court in which the action is pending."

Page 36, line 10, delete everything after the first "to" and insert "5, 7 to 23, 27 and 28, 30 to 36, and 38 to 44"

Page 36, line 10, delete "38" and delete "5" and insert "6"

Page 36, line 11, delete "35" and insert "37"

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1129, A bill for an act relating to financial institutions; regulating institutions, deposits, rates and charges, enforcement provisions; modifying the definition of insurance premium finance licensee; amending Minnesota Statutes 1992, sections 45.025, by adding a subdivision; 46.044; 46.048, subdivision 1; 46.09; 47.0156; 47.096; 47.20, subdivision 4a; 47.52; 47.54, subdivision 4; 47.55, subdivision 1; 47.56; 48.04; 48.05; 48.09; 48.194; 48.24, subdivisions 1, 7, and 8; 48.61, subdivisions 2, 3, and 4; 49.35; 49.36, subdivisions 1 and 4; 51A.02, subdivision 43; 52.04, subdivision 1, and by adding a subdivision; 52.12; 53.03, subdivision 5; 53.04, by adding a subdivision; 53.09, by adding a subdivision; 56.10; 56.131, subdivision 1; 56.155, subdivision 1; 59A.06, subdivision 3; 82B.03, subdivision 2; 300.20, subdivision 2; 300.21; 336.4-104; proposing coding for new law in Minnesota Statutes, chapter 56; repealing Minnesota Statutes 1992, sections 46.048, subdivision 2; and 48.24, subdivision 4.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Holsten	Lasley	Neary	Reding	Tompkins
Anderson, I.	Dawkins	Hugoson	Leppik	Nelson	Rest	Trimble
Anderson, R.	Dehler	Huntley	Lieder	Ness	Rhodes	Tunheim
Asch	Delmont	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Battaglia	Dempsey	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bauerly	Dorn	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Beard	Erhardt	Jennings	Luther	Onnen	Sarna	Wagenius
Bergson	Evans	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bertram	Farrell	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bettermann	Frerichs	Johnson, V.	Mahon	Orfield	Simoneau	Wejcman
Bishop	Garcia	Kalis	Mariani	Osthoff	Skoglund	Welle
Blatz	Girard	Kelley	McCollum	Ostrom	Smith	Wenzel
Brown, K.	Goodno	Kelso	McGuire	Ozment	Solberg	Winter
Carlson	Greenfield	Kinkel	Milbert	Pauly	Sparby	Wolf
Carruthers	Greiling	Klinzing	Molnau	Pawlenty	Stanis	Worke
Clark	Gruenes	Knickerbocker	Morrison	Pelowski	Steensma	Workman
Commers	Gutknecht	Koppendrayer	Mosel	Perlt	Sviggum	Spk. Long
Cooper	Hasskamp	Krinkie	Munger	Peterson	Swenson	
Dauner	Haukoos	Krueger	Murphy	Pugh	Tomassoni	

The bill was passed, as amended, and its title agreed to.

H. F. No. 1253 was reported to the House.

Anderson, I., moved that H. F. No. 1253 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 1290, A bill for an act relating to local government; permitting the cities of Bloomington, Edina, Richfield, Eden Prairie, Minnetonka, Maple Grove, and Plymouth to establish a transportation demand management program; providing for a transportation demand management plan for the capitol complex.

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	Dauner	Haukoos	Krueger	Neary	Reding	Tompkins
Anderson, I.	Davids	Holsten	Lasley	Nelson	Rest	Trimble
Anderson, R.	Dawkins	Hugoson	Leppik	Ness	Rhodes	Tunheim
Asch	Dehler	Huntley	Lieder	Olson, E.	Rice	Van Dellen
Battaglia	Delmont	Jacobs	Limmer	Olson, K.	Rodosovich	Vellenga
Bauerly	Dempsey	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Beard	Dorn	Jefferson	Lourey	Onnen	Sarna	Wagenius
Bergson	Erhardt	Jennings	Luther	Opatz	Seagren	Waltman
Bertram	Evans	Johnson, A.	Lynch	Orenstein	Sekhon	Weaver
Bettermann	Farrell	Johnson, R.	Macklin	Orfield	Simoneau	Wejcman
Bishop	Frerichs	Johnson, V.	Mahon	Osthoff	Skoglund	Welle
Blatz	Garcia	Kalis	Mariani	Ostrom	Smith	Wenzel
Brown, C.	Girard	Kelley	McGuire	Ozment	Solberg	Winter
Brown, K.	Goodno	Kelso	Milbert	Pauly	Sparby	Wolf
Carlson	Greenfield	Kinkel	Molnau	Pawlenty	Stanis	Worke
Carruthers	Greiling	Klinzing	Morrison	Pelowski	Steensma	Workman
Clark	Gruenes	Knickerbocker	Mosel	Perlt	Sviggum	Spk. Long
Commers	Gutknecht	Koppendrayer	Munger	Peterson	Swenson	
Cooper	Hasskamp	Krinkie	Murphy	Pugh	Tomassoni	

The bill was passed and its title agreed to.

Knickerbocker was excused for the remainder of today's session.

S. F. No. 1171 was reported to the House.

Skoglund moved to amend S. F. No. 1171, as follows:

Page 1, line 7, delete "COMMISSION" and insert "COMMITTEE"

Page 1, line 8, after "enforcement" insert "advisory"

Page 1, lines 9, 10, 13, 16, 24, and Page 2, lines 1, 4, 5, 28, and 29, delete "commission" and insert "committee"

Page 2, line 20, delete "and"

Page 2, line 21, after the semicolon insert "and"

Page 2, after line 21, insert:

"(viii) public members who are victims of crime;"

Amend the title as follows:

Page 1, line 2, delete "commission" and insert "committee"

The motion prevailed and the amendment was adopted.

S. F. No. 1171, A bill for an act relating to crime; creating a commission on nonfelony enforcement to review the proportionality and enforcement of petty misdemeanor, misdemeanor, and gross misdemeanor offenses; requiring a report.

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	Davids	Holsten	Leppik	Nelson	Rest	Trimble
Anderson, I.	Dawkins	Hugoson	Liedler	Ness	Rhodes	Tunheim
Anderson, R.	Dehler	Huntley	Limmer	Olson, E.	Rice	Van Dellen
Asch	Delmont	Jacobs	Lindner	Olson, K.	Rodosovich	Vellenga
Battaglia	Dempsey	Jaros	Lourey	Olson, M.	Rukavina	Vickerman
Beard	Dorn	Jefferson	Luther	Ornen	Sarna	Wagenius
Bergson	Erhardt	Jennings	Lynch	Opatz	Seagren	Waltman
Bertram	Evans	Johnson, A.	Macklin	Orenstein	Sekhon	Weaver
Bettermann	Farrell	Johnson, R.	Mahon	Orfield	Simoneau	Wejczan
Bishop	Frerichs	Johnson, V.	Mariani	Osthoff	Skoglund	Welle
Blatz	Garcia	Kalis	McCollum	Ostrom	Smith	Wenzel
Brown, C.	Girard	Kelley	McGuire	Ozment	Solberg	Winter
Brown, K.	Goodno	Kelso	Milbert	Pauly	Sparby	Wolf
Carlson	Greenfield	Kinkel	Molnau	Pawlenty	Skoglund	Worke
Carruthers	Greiling	Klinzing	Morrison	Pelowski	Steensma	Workman
Clark	Gruenes	Koppendrayer	Mosel	Perl	Sviggum	Spk. Long
Commers	Gutknecht	Krinkie	Munger	Peterson	Swenson	
Cooper	Hasskamp	Krueger	Murphy	Pugh	Tomassoni	
Dauner	Haukoos	Lasley	Neary	Reding	Tompkins	

The bill was passed, as amended, and its title agreed to.

S. F. No. 663 was reported to the House.

Wejcman moved that S. F. No. 663 be continued on Special Orders. The motion prevailed.

The Speaker called Bauerly to the Chair.

S. F. No. 693, A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4, and by adding a subdivision; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivisions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

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	Dauner	Haukoos	Lasley	Nelson	Rest	Trimble
Anderson, I.	Dauids	Holsten	Leppik	Ness	Rhodes	Tunheim
Anderson, R.	Dawkins	Hugoson	Lieder	Olson, E.	Rice	Van Dellen
Asch	Dehler	Huntley	Limmer	Olson, K.	Rodosovich	Vellenga
Battaglia	Delmont	Jacobs	Lindner	Olson, M.	Rukavina	Vickerman
Bauerly	Dempsey	Jaros	Lourey	Onnen	Sarna	Wagenius
Beard	Dorn	Jefferson	Luther	Opatz	Seagren	Waltman
Bergson	Erhardt	Jennings	Lynch	Orenstein	Sekhon	Weaver
Bertram	Evans	Johnson, A.	Macklin	Orfield	Simoneau	Wejcman
Bettermann	Farrell	Johnson, R.	Mahon	Osthoff	Skoglund	Welle
Bishop	Frerichs	Johnson, V.	Mariani	Ostrom	Smith	Wenzel
Blatz	Garcia	Kalis	McCollum	Ozment	Solberg	Winter
Brown, C.	Girard	Kelley	McGuire	Pauly	Sparby	Wolf
Brown, K.	Goodno	Kelso	Milbert	Pawlenty	Stanisus	Worke
Carlson	Greenfield	Kinkel	Molnau	Pelowski	Steensma	Workman
Carruthers	Greiling	Klinzing	Mosel	Perlt	Swiggum	Spk. Long
Clark	Gruenes	Koppentrayer	Munger	Peterson	Swenson	
Commers	Gutknecht	Krinkie	Murphy	Pugh	Tomassoni	
Cooper	Hasskamp	Krueger	Neary	Reding	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 1658 was reported to the House.

Krueger moved to amend H. F. No. 1658, the first engrossment, as follows:

Page 5, after line 19, insert:

"Sec. 2. [FEDERAL DEFENSE CONVERSION ACTIVITIES.]

The Minnesota Project Outreach Corporation shall assist the department of trade and economic development, the sponsoring agency, to prepare a response to the Technology Reinvestment Project solicitation required by the Defense Conversion, Reinvestment and Transition Assistance Act of 1992, Public Laws Numbers 102-484 and 102-190, and related federal law. The response shall address technology development, deployment, and manufacturing education and training activities that comply with the Act, that result from a collaborative working effort that involves a team of eligible participants which may include nonprofit and other eligible firms as mandated by United States Code, section 2491, state government agencies, local government agencies, institutions of higher education, manufacturing and other extension programs, and other eligible proposers under the Act.

The department of trade and economic development shall create an advisory task force made up of business, labor community, and local government representatives to assist in developing a state plan for job retention and job creation in industries and communities in Minnesota affected by defense contract cuts. The task force shall advise the Minnesota Project Outreach Corporation, Minnesota Technology, Inc., the department of trade and economic development, and other appropriate state agencies in accessing federal funding available from the Office of Economic Adjustment in order (1) to improve Minnesota's competitiveness in seeking federal community adjustment planning funds available through the new federal defense conversion programs, and (2) to provide for public involvement and accountability in the conversion programs."

Page 5, after line 25, insert:

"Sec. 5. [EFFECTIVE DATE.]

Sections 1, 3, and 4 are effective August 1, 1994. Section 2 is effective the day following final enactment."

Renumber the sections in order

Correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1658, A bill for an act relating to economic development; abolishing Minnesota Project Outreach Corporation and transferring its funds, property, records, and duties to Minnesota Technology, Inc.; providing for federal defense conversion activities; amending Minnesota Statutes 1992, section 116O.091; repealing Minnesota Statutes 1992, section 116O.092.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Bishop	Carruthers	Davids	Dorn	Garcia
Anderson, I.	Beard	Blatz	Clark	Dawkins	Erhardt	Girard
Anderson, R.	Bergson	Brown, C.	Commers	Dehler	Evans	Goodno
Asch	Bertram	Brown, K.	Cooper	Delmont	Farrell	Greenfield
Battaglia	Bettermann	Carlson	Dauner	Dempsey	Frerichs	Greiling

Gruenes	Johnson, V.	Lourey	Nelson	Pelowski	Skoglund	Vickerman
Gutknecht	Kalis	Luther	Ness	Perlt	Smith	Wagenius
Hasskamp	Kelley	Lynch	Olson, E.	Peterson	Solberg	Waltman
Haukoos	Kelso	Macklin	Olson, K.	Pugh	Sparby	Weaver
Hausman	Kinkel	Mahon	Olson, M.	Reding	Stanius	Wejzman
Holsten	Klinzing	Mariani	Onnen	Rest	Steensma	Welle
Hugoson	Koppendrayner	McCollum	Opatz	Rhodes	Sviggum	Wenzel
Huntley	Krinkie	McGuire	Orenstein	Rice	Swenson	Winter
Jacobs	Krueger	Milbert	Orfield	Rodosovich	Tomassoni	Wolf
Jaros	Lasley	Molnau	Osthoff	Rukavina	Tompkins	Worke
Jefferson	Leppik	Morrison	Ostrom	Sarna	Trimble	Workman
Jennings	Lieder	Mosel	Ozment	Seagren	Tunheim	Spk. Long
Johnson, A.	Limmer	Munger	Pauly	Sekhon	Van Dellen	
Johnson, R.	Lindner	Murphy	Pawlenty	Simoneau	Vellenga	

Those who voted in the negative were:

Neary

The bill was passed, as amended, and its title agreed to.

S. F. No. 264 was reported to the House.

Anderson, I., moved that S. F. No. 264 be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 832, A bill for an act relating to occupations and professions; regulating athletic trainers; establishing an advisory council; providing for registration; requiring fees; providing for rulemaking; imposing penalties; appropriating money; amending Minnesota Statutes 1992, section 116J.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 148.

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 123 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Abrams	Dauids	Hugoson	Lieder	Nelson	Rice	Tunheim
Anderson, I.	Dawkins	Huntley	Limmer	Olson, E.	Rodosovich	Van Dellen
Anderson, R.	Dehler	Jacobs	Lindner	Olson, K.	Rukavina	Vellenga
Asch	Delmont	Jaros	Lourey	Opatz	Sarna	Vickerman
Battaglia	Dempsey	Jefferson	Luther	Orenstein	Seagren	Wagenius
Bauerly	Dorn	Jennings	Lynch	Orfield	Sekhon	Waltman
Beard	Erhardt	Johnson, A.	Macklin	Osthoff	Simoneau	Weaver
Bertram	Evans	Johnson, R.	Mahon	Ostrom	Skoglund	Wejzman
Bettermann	Farrell	Johnson, V.	Mariani	Ozment	Smith	Welle
Bishop	Frerichs	Kahn	McCollum	Pauly	Solberg	Wenzel
Blatz	Garcia	Kalis	McGuire	Pawlenty	Sparby	Winter
Brown, C.	Goodno	Kelley	Milbert	Pelowski	Stanius	Wolf
Brown, K.	Greenfield	Kelso	Molnau	Perlt	Steensma	Worke
Carlson	Greiling	Kinkel	Morrison	Peterson	Sviggum	Workman
Carruthers	Gutknecht	Klinzing	Mosel	Pugh	Swenson	Spk. Long
Clark	Hasskamp	Krueger	Munger	Reding	Tomassoni	
Commers	Haukoos	Lasley	Murphy	Rest	Tompkins	
Cooper	Holsten	Leppik	Neary	Rhodes	Trimble	

Those who voted in the negative were:

Bergson	Girard	Koppendrayer	Ness	Onnen
Dauner	Gruenes	Krinkie	Olson, M.	

The bill was passed and its title agreed to.

S. F. No. 419 was reported to the House.

Reding moved to amend S. F. No. 419, the unofficial engrossment, as follows:

Pages 34 to 37, delete section 6

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 419, A bill for an act relating to health care; modifying and making corrections to the health right act; amending Minnesota Statutes 1992, sections 43A.317, subdivisions 2, 7, and 10; 62A.011, subdivision 3; 62A.021, subdivision 1; 62A.65, subdivision 5; 62J.04, subdivisions 2, 3, 4, 5, 6, and 7; 62J.09, subdivisions 1, 2, and 6; 62J.15, subdivision 2; 62J.17, subdivisions 2, 4, 5, and 6; 62J.19; 62J.23; 62J.29, subdivisions 1 and 4; 62J.30, subdivisions 4, 7, 8, and 10; 62J.31, subdivisions 2 and 3; 62J.32, subdivisions 1 and 4; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 8, 11, 15, and 16, and by adding a subdivision; 62L.03, subdivisions 2 and 5; 62L.05, subdivisions 1, 4, and 10; 62L.09, subdivision 2; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 1, 2, 3, 4, 5, 6, 7, and 9; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.17, subdivisions 1 and 4; 62L.19; 62L.20, subdivisions 1 and 2; 144.147, subdivision 4; 144.1481, subdivision 1; 256.045, subdivision 10; 256.9353, subdivisions 2, 6, and by adding a subdivision; 256.9354; 256.9355, subdivision 3; 256.9356, subdivision 2; 256.9357; 256B.0644; Laws 1992, chapter 549, articles 1, section 15; 2, sections 24 and 25; 3, section 24; and 4, section 18; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, sections 62J.05, subdivision 5; 62J.09, subdivision 3; and 62J.21.

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	Brown, K.	Erhardt	Hausman	Kelley	Luther	Neary
Anderson, I.	Carlson	Evans	Holsten	Kelso	Lynch	Nelson
Anderson, R.	Carruthers	Farrell	Hugoson	Kinkel	Macklin	Ness
Asch	Clark	Frerichs	Huntley	Klinzing	Mahon	Olson, E.
Battaglia	Commers	Garcia	Jacobs	Koppendrayer	Mariani	Olson, K.
Bauerly	Cooper	Girard	Jaros	Krinkie	McCollum	Olson, M.
Beard	Dauner	Goodno	Jefferson	Krueger	McGuire	Onnen
Bergson	Davids	Greenfield	Jennings	Lasley	Milbert	Opatz
Bertram	Dawkins	Greiling	Johnson, A.	Leppik	Molnau	Orenstein
Bettermann	Dehler	Gruenes	Johnson, R.	Lieder	Morrison	Orfield
Bishop	Delmont	Gutknecht	Johnson, V.	Limmer	Mosel	Osthoff
Blatz	Dempsey	Hasskamp	Kahn	Lindner	Munger	Ostrom
Brown, C.	Dorn	Haukoos	Kalis	Lourey	Murphy	Ozment

Pauly	Reding	Sarna	Solberg	Tomassoni	Vickerman	Wenzel
Pawlenty	Rest	Seagren	Sparby	Tompkins	Wagenius	Winter
Pelowski	Rhodes	Sekhon	Stanius	Trimble	Waltman	Wolf
Perlt	Rice	Simoneau	Steensma	Tunheim	Weaver	Worke
Peterson	Rodosovich	Skoglund	Sviggum	Van Dellen	Wejzman	Workman
Pugh	Rukavina	Smith	Swenson	Vellenga	Welle	Spk. Long

The bill was passed, as amended, and its title agreed to.

H. F. No. 1253 which was temporarily laid over earlier today on Special Orders was again reported to the House.

Hausman moved to amend H. F. No. 1253, the first engrossment, as follows:

Page 3, line 6, delete "or"

Page 3, line 7, delete the period and insert "; or"

Page 3, after line 7, insert:

"(6) landfill gas."

The motion prevailed and the amendment was adopted.

Hausman moved to amend H. F. No. 1253, the first engrossment, as amended, as follows:

Page 5, after line 20, insert:

"Sec. 5. [REORGANIZATION; GOALS.]

The legislature finds that it may be desirable to reorganize state services relating to the protection of the environment, protection of farmland, and the management of natural resources to achieve the following goals:

- (1) sustainable development throughout all regions of the state and all sectors of the economy;
- (2) improved delivery of services;
- (3) a preventive approach to environmental degradation;
- (4) citizen participation in all relevant decision-making processes and at meaningful points in the processes; and
- (5) progressively less air, land, and water pollution.

Sec. 6. [REORGANIZATION; OUTCOMES.]

Any reorganization must achieve the following outcomes:

- (1) increased citizen access to pertinent, understandable information relating to environmental protection, farmland protection, and natural resources management;
- (2) better citizen representation, access, and information through an office of public information and advocacy;
- (3) an ecosystem-based, integrated service delivery system that includes the elimination of multiple access points to receive the same or related services;
- (4) the flexibility to enable state and local governments to coordinate and cooperate as well as identify and address existing and emerging environmental issues of state, national, and international import; and
- (5) a commitment to staff development resources sufficient to implement the reorganization.

## Sec. 7. [LEGISLATIVE TASK FORCE ON STATE ADMINISTRATIVE ENVIRONMENTAL STRUCTURE.]

Subdivision 1. [TASK FORCE.] A legislative task force on administrative environmental structure is created to recommend to the legislature an organizational structure for the state that best implements the environmental policy of the state and delineates the responsibility of state government in relation to that policy. The task force will consist of ten members, five appointed by the speaker of the house of representatives and five appointed by the rules and administration subcommittee on committees of the senate. At least two members from each chamber must be members of the minority party in that chamber. The task force shall elect one member from each chamber to serve as cochairs of the task force who shall alternately preside over hearings, unless they agree otherwise.

The house research department, senate counsel and research, and other legislative staff offices shall provide staff for the commission.

Subd. 2. [DUTIES.] (a) In accordance with the environmental policy codified in Minnesota Statutes, section 116D.02, subdivision 1, the responsibility of state government in relation to that policy codified in Minnesota Statutes, section 116D.02, subdivision 2, and the actions required of state agencies under Minnesota Statutes, section 116D.03, the task force shall:

(1) examine all recent analyses, critiques, studies, and recommendations related to state administrative environmental structure that have been completed by June 1, 1993, including, but not limited to, the commission on reform and efficiency study and recommendations relating to environmental structure, structures in other states and proposals made by the governor, members of the legislature, state agencies, or other groups;

(2) gather information from interested groups or individuals that may not have participated in the available analyses, critiques, studies, and recommendations; and

(3) by December 15, 1993, prepare a proposal for legislation that the task force determines will best organize the implementation, administration, and enforcement of the state's environmental policy in an efficient, accessible, and environmentally sustainable and economically viable manner and will best recognize the responsibility of state government in relation to that policy.

(b) In developing its proposal, the task force shall seek to achieve:

(1) a structure based on interdisciplinary, integrated resource management in order to protect and enhance the physical environment of the state;

(2) a structure that promotes and maintains a system that meets the needs of the present without compromising the ability of future generations to meet their own needs and that incorporates a process for change in which the use of natural and other resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with future as well as present needs;

(3) a structure that facilitates the protection of the diversity of plant and animal life in Minnesota;

(4) a flexible structure that enables state agencies to identify and address existing and emerging environmental issues of state, national, and international import;

(5) an integrated approach based on ecosystems for the delivery of services, including decentralization of service delivery;

(6) increased citizen access to pertinent, understandable information and procedures for implementation and enforcement of environmental protection and natural resources management;

(7) meaningful citizen participation in all relevant policy and decision-making processes;

(8) a structure that recognizes legitimate conflicts of interest and provides for their resolution;

(9) clarity of the mission of all state agencies in light of the state's environmental policy and the responsibility and accountability of those agencies in relation to that policy;

(10) a preventive approach to environmental degradation;

(11) a balanced system of regulatory controls, financial incentives, technical assistance, and educational components to achieve environmental goals and compliance with law; and

(12) a structure that can identify and capture cost savings where those savings can be made without reducing the ability to implement and enforce the state's environmental policy.

(c) The proposal must include provisions to ensure continuity of services, as smooth a transition as possible if structural changes are recommended, and meaningful public employee and public agency participation in determining and implementing future administrative environmental structures.

Subd. 3. [PUBLIC HEARINGS.] As soon as possible after development of the proposal, the task force shall distribute the proposal to all interested persons and shall hold hearings throughout the state designed to gather responses to the proposal from all perspectives. Hearings must be held in convenient locations and at convenient times to maximize the ability of the public to participate in the hearings.

Subd. 4. [FINAL LEGISLATIVE PROPOSAL.] The task force shall revise the proposal, as it determines advisable, and shall issue a final proposal by February 15, 1994, for consideration by the legislature during the 1994 legislative session. The task force is abolished effective May 1, 1994.

Sec. 8. [EMPLOYEE PARTICIPATION COMMITTEE.]

(a) Before any restructuring of executive branch agencies, a committee including representatives of employees and employers within each affected agency must be established and be given adequate time to perform the functions prescribed by paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.

(b) A committee established under paragraph (a) shall:

(1) identify tasks related to agency reorganization and adopt plans for addressing those tasks;

(2) identify other employer and employee issues related to reorganization and adopt plans for addressing those issues;

(3) adopt detailed plans for providing retraining for affected employees; and

(4) guide the implementation of the reorganization.

Sec. 9. [EXAMINATION OF AGENCIES' MISSION, POWERS, AND DUTIES.]

Subdivision 1. [AGENCIES.] The mission, powers, and duties of the department of natural resources, the board of water and soil resources, the office of waste management, the pollution control agency, the environmental quality board, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response board shall be examined by the task force.

Subd. 2. [POWERS AND DUTIES.] (a) The following powers and duties of the department of agriculture shall be examined:

(1) regulation of fertilizers, soil amendments, agricultural liming, and plant amendments under Minnesota Statutes, chapter 18C;

(2) pesticide control under Minnesota Statutes, chapter 18B;

(3) agriculture chemical incident response and cleanup under Minnesota Statutes, chapter 18D;

(4) chemical incident reimbursement under Minnesota Statutes, chapter 18E;

(5) urban forest promotion under Minnesota Statutes, section 17.86;

(6) mosquito abatement under Minnesota Statutes, sections 18.041 to 18.161;

(7) groundwater protection under Minnesota Statutes, chapter 103H; and

(8) oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E.

(b) The following powers and duties of the department of health shall be examined:

(1) the water well program under Minnesota Statutes, chapter 103I;

(2) the safe drinking water program under Minnesota Statutes, sections 144.381 to 144.387;

(3) health risk assessment under Minnesota Statutes, section 115B.17, subdivision 10;

(4) domestic water supply protection under Minnesota Statutes, sections 144.35 to 144.37;

(5) asbestos contractor licensing under Minnesota Statutes, sections 326.70 to 326.81;

(6) public health laboratory regulation under Minnesota Statutes, section 144.98;

(7) lead abatement under Minnesota Statutes, sections 144.871 to 144.879;

(8) hazardous substance exposure under Minnesota Statutes, section 145.94;

(9) mosquito research under Minnesota Statutes, section 144.95;

(10) water supply monitoring and health assessments under Minnesota Statutes, section 473.845, subdivision 2; and

(11) health risk limits under Minnesota Statutes, section 103H.201.

(c) The following powers and duties of the department of trade and economic development shall be examined:

(1) energy loans under Minnesota Statutes, sections 216C.36 and 216C.37;

(2) outdoor recreation grants under Minnesota Statutes, section 116J.406; and

(3) environmental permit coordination under Minnesota Statutes, sections 116C.22 to 116C.34.

(d) The following powers and duties of the department of public service shall be examined: energy conservation under Minnesota Statutes, sections 216C.01 to 216C.35 and 216C.373 to 216C.381.

(e) The following powers and duties of the department of transportation shall be examined:

(1) oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E; and

(2) hazardous waste shipment and licensing under Minnesota Statutes, sections 221.033 to 221.036 and 221.172.

(f) The powers and duties of the metropolitan council relating to metropolitan solid and hazardous waste under Minnesota Statutes, sections 473.801 to 473.849, shall be examined.

(g) The powers and duties relating to mosquito control under Minnesota Statutes, sections 473.701 to 473.716, shall be examined.

Sec. 10. [BUDGET FOR NEXT BIENNIUM.]

The budget may not require the layoff of classified or unclassified employees in departments and agencies included under section 9 that are covered by a collective bargaining agreement except as provided in a plan negotiated under Minnesota Statutes, chapter 179A, that provides options to layoff for employees who would be affected.

Sec. 11. [EFFECTIVE DATE.]

Sections 5 to 10 are effective the day following final enactment."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

#### POINT OF ORDER

Hugoson raised a point of order pursuant to rule 3.09 that the Hausman amendment was not in order. Speaker pro tempore Bauerly ruled the point of order not well taken and the amendment in order.

The question recurred on the Hausman amendment and the roll was called. There were 61 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dawkins	Jacobs	Lourey	Neary	Rest	Trimble
Asch	Delmont	Jaros	Luther	Orenstein	Rice	Vellenga
Bauerly	Evans	Jefferson	Mahon	Orfield	Rukavina	Wagenius
Beard	Farrell	Johnson, A.	Mariani	Ostrom	Sarna	Weaver
Bergson	Garcia	Johnson, R.	McCollum	Ozment	Sekhon	Wejzman
Brown, K.	Greenfield	Kahn	McGuire	Pauly	Simoneau	Winter
Carlson	Greiling	Kelley	Milbert	Perlt	Skoglund	Spk. Long
Carruthers	Hausman	Kelso	Munger	Peterson	Solberg	
Clark	Huntley	Kinkel	Murphy	Pugh	Tomassoni	

Those who voted in the negative were:

Abrams	Dauner	Gutknecht	Krueger	Mosel	Pelowski	Tunheim
Anderson, R.	Dauids	Haukoos	Lasley	Nelson	Rhodes	Van Dellen
Battaglia	Dehler	Holsten	Leppik	Ness	Rodosovich	Vickerman
Bertram	Dempsey	Hugoson	Lieder	Olson, E.	Seagren	Waltman
Bettermann	Dorn	Jennings	Limmer	Olson, K.	Smith	Welle
Bishop	Erhardt	Johnson, V.	Lindner	Olson, M.	Stanius	Wenzel
Blatz	Frerichs	Kalis	Lynch	Onnen	Steensma	Wolf
Brown, C.	Girard	Klinzing	Macklin	Opatz	Sviggum	Worke
Commers	Goodno	Koppendrayner	Molnau	Osthoff	Swenson	Workman
Cooper	Gruenes	Krinkie	Morrison	Pawlenty	Tompkins	

The motion did not prevail and the amendment was not adopted.

H. F. No. 1253, A bill for an act relating to energy; cogeneration and small power production; providing for establishment of prices paid for utilities' avoided capacity and energy costs; providing that the public utilities commission establish a preference for renewable resource energy production; amending Minnesota Statutes 1992, sections 216B.164, subdivision 4; 216B.2421, subdivision 1; and 216B.62, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 216B.

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	Dawkins	Huntley	Lieder	Ness	Rhodes	Tunheim
Anderson, I.	Dehler	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Anderson, R.	Delmont	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Battaglia	Dempsey	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bauerly	Dorn	Jennings	Luther	Onnen	Sarna	Wagenius
Beard	Erhardt	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bergson	Evans	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Bertram	Farrell	Johnson, V.	Mahon	Orfield	Simoneau	Wejcmann
Bettermann	Frerichs	Kahn	Mariani	Osthoff	Skoglund	Welle
Bishop	Garcia	Kalis	McCollum	Ostrom	Smith	Wenzel
Blatz	Girard	Kelley	McGuire	Ozment	Solberg	Winter
Brown, K.	Goodno	Kelso	Milbert	Pauly	Sparby	Wolf
Carlson	Greiling	Kinkel	Molnau	Pawlenty	Stanius	Worke
Carruthers	Gruenes	Klinzing	Morrison	Pelowski	Steensma	Workman
Clark	Gutknecht	Koppendrayner	Mosel	Perlt	Sviggum	Spk. Long
Commers	Haukoos	Krinkie	Munger	Peterson	Swenson	
Cooper	Hausman	Krueger	Murphy	Pugh	Tomassoni	
Dauner	Holsten	Lasley	Neary	Reding	Tompkins	
Davids	Hugoson	Leppik	Nelson	Rest	Trimble	

The bill was passed, as amended, and its title agreed to.

S. F. No. 264 which was temporarily laid over earlier today on Special Orders was again reported to the House.

S. F. No. 264, A bill for an act relating to housing; changing program review requirements; increasing deferred loan limits; expanding the types of eligible users of the homesharing program; expanding the project eligibility of the housing trust fund; authorizing cities to sell single-family residential housing under the neighborhood land trust program; expanding the types of eligible service providers and changing the authorized payment structure of the rental assistance for family stabilization program; increasing the income limits for rental housing assistance; establishing the community rehabilitation fund account; consolidating the blighted residential property and capital reserve programs; authorizing tribal Indian housing demonstration projects; appropriating money; amending Minnesota Statutes 1992, sections 462A.05, subdivisions 14a and 24; 462A.07, subdivisions 14 and 15; 462A.201, subdivision 2; 462A.202, subdivision 7; 462A.205, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 462A.21, subdivision 8c and by adding a subdivision; and 462C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1992, sections 462A.05, subdivision 37; and 462A.32.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Dehler	Greiling	Jefferson	Koppendrayner	Macklin
Anderson, I.	Brown, C.	Delmont	Gruenes	Jennings	Krinkie	Mahon
Anderson, R.	Brown, K.	Dempsey	Gutknecht	Johnson, A.	Krueger	Mariani
Asch	Carlson	Dorn	Hasskamp	Johnson, R.	Lasley	McCollum
Battaglia	Carruthers	Erhardt	Haukoos	Johnson, V.	Leppik	McGuire
Bauerly	Clark	Evans	Hausman	Kahn	Lieder	Milbert
Beard	Commers	Farrell	Holsten	Kalis	Limmer	Molnau
Bergson	Cooper	Garcia	Hugoson	Kelley	Lindner	Morrison
Bertram	Dauner	Girard	Huntley	Kelso	Lourey	Mosel
Bettermann	Davids	Goodno	Jacobs	Kinkel	Luther	Munger
Bishop	Dawkins	Greenfield	Jaros	Klinzing	Lynch	Murphy

Neary	Orenstein	Perlt	Rukavina	Sparby	Tunheim	Welle
Nelson	Orfield	Peterson	Sarna	Stanius	Van Dellen	Wenzel
Ness	Osthoff	Pugh	Seagren	Steensma	Vellenga	Winter
Olson, E.	Ostrom	Reding	Sekhon	Sviggum	Vickerman	Wolf
Olson, K.	Ozment	Rest	Simoneau	Swenson	Wagenius	Worke
Olson, M.	Pauly	Rhodes	Skoglund	Tomassoni	Waltman	Workman
Onnen	Pawlenty	Rice	Smith	Tompkins	Weaver	Spk. Long
Opatz	Pelowski	Rodosovich	Solberg	Trimble	Wejczan	

The bill was passed and its title agreed to.

S. F. No. 782 was reported to the House.

Clark moved to amend S. F. No. 782, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, or by a physician enrolled in the medical assistance program as a dispensing physician. The commissioner, after receiving recommendations from the Minnesota Medical Association and the Minnesota Pharmacists Association, 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.

(b) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The formulary shall not include:

(i) drugs or products for which there is no federal funding;

(ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, and vitamins for children under the age of seven and pregnant or nursing women; or any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, ~~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;~~

(iii) anorectics; and

(iv) drugs for which medical value has not been established.

~~Nutritional products needed for the treatment of a combined allergy to human milk, cow's milk, and soy formula require prior authorization. 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) (c) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug 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 legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.

(e) (d) Until January 4, 1993, or the date the Medicaid Management Information System (MMIS) upgrade is implemented, whichever occurs last, a pharmacy provider may require individuals who seek to become eligible for medical assistance under a one-month spend-down, as provided in section 256B.056, subdivision 5, to pay for services to the extent of the spend-down amount at the time the services are provided. A pharmacy provider choosing this option shall file a medical assistance claim for the pharmacy services provided. If medical assistance reimbursement is received for this claim, the pharmacy provider shall return to the individual the total amount paid by the individual for the pharmacy services reimbursed by the medical assistance program. If the claim is not eligible for medical assistance reimbursement because of the provider's failure to comply with the provisions of the medical assistance program, the pharmacy provider shall refund to the individual the total amount paid by the individual. Pharmacy providers may choose this option only if they apply similar credit restrictions to private pay or privately insured individuals. A pharmacy provider choosing this option must inform individuals who seek to become eligible for medical assistance under a one-month spend-down of (1) their right to appeal the denial of services on the grounds that they have satisfied the spend-down requirement, and (2) their potential eligibility for the health right program or the children's health plan.

Sec. 2. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

Subd. 32. [NUTRITIONAL PRODUCTS.] (a) Medical assistance covers nutritional products needed for nutritional supplementation because solid food or nutrients thereof cannot be properly absorbed by the body or needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow's

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. Nutritional products needed for the treatment of a combined allergy to human milk, cow's milk, and soy formula require prior authorization. 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.

(b) The commissioner shall designate a nutritional supplementation products advisory committee to advise the commissioner on nutritional supplementation products for which payment is made. The committee shall consist of nine members, one of whom shall be a physician, one of whom shall be a pharmacist, two of whom shall be registered dieticians, one of whom shall be a public health nurse, one of whom shall be a representative of a home health care agency, one of whom shall be a provider of long-term care services, and two of whom shall be consumers of nutritional supplementation products. Committee members shall serve two-year terms and shall serve without compensation.

(c) The advisory committee shall review and recommend nutritional supplementation products which require prior authorization. The commissioner shall develop procedures for the operation of the advisory committee so that the advisory committee operates in a manner parallel to the drug formulary committee."

Delete the title and insert:

"A bill for an act relating to health; expanding medical assistance coverage to include nutritional supplementation products; amending Minnesota Statutes 1992, section 256B.0625, subdivision 13, and by adding a subdivision."

The motion prevailed and the amendment was adopted.

S. F. No. 782, A bill for an act relating to health; expanding medical assistance coverage to include nutritional supplementation products; amending Minnesota Statutes 1992, section 256B.0625, subdivision 13.

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	Dauner	Haukoos	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Davids	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Lasley	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Battaglia	Delmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Luther	Ornen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcmann
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Stanius	Worke
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Workman
Cooper	Hasskamp	Koppendrayner	Mosel	Perlt	Swiggum	Spk. Long

The bill was passed, as amended, and its title agreed to.

S. F. No. 1000 was reported to the House.

Gutknecht moved that S. F. No. 1000 be continued on Special Orders. The motion prevailed.

**REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION**

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today:

S. F. Nos. 340, 532, 948, 869, 34, 1221, 1187, 1232, 625, 429, 1367, 304, 1054 and 376.

**SPECIAL ORDERS, Continued**

S. F. No. 340, A bill for an act relating to the military; entering into the National Guard mutual assistance counterdrug activities compact; proposing coding for new law in Minnesota Statutes, chapter 192.

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 5 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hasskamp	Lasley	Neary	Rest	Trimble
Anderson, I.	Dauner	Haukoos	Leppik	Nelson	Rhodes	Tunheim
Anderson, R.	Davids	Holsten	Lieder	Ness	Rice	Van Dellen
Asch	Dawkins	Hugoson	Limmer	Olson, K.	Rodosovich	Vellenga
Battaglia	Dehler	Jacobs	Lindner	Olson, M.	Sarna	Vickerman
Bauerly	Delmont	Jefferson	Lourey	Onnen	Seagren	Wagenius
Beard	Dempsey	Jennings	Luther	Opatz	Sekhon.	Waltman
Bergson	Dorn	Johnson, A.	Lynch	Orenstein	Simoneau	Weaver
Bertram	Erhardt	Johnson, R.	Macklin	Orfield	Skoglund	Wejzman
Bettermann	Evans	Johnson, V.	Mahon	Ostrom	Smith	Welle
Bishop	Farrell	Kalis	Mariani	Ozment	Solberg	Wenzel
Blatz	Frerichs	Kelley	McGuire	Pauly	Sparby	Winter
Brown, C.	Garcia	Kelso	Milbert	Pawlenty	Stanius	Wolf
Brown, K.	Girard	Kinkel	Molnau	Pelowski	Steensma	Worke
Carlson	Goodno	Klinzing	Morrison	Perit	Sviggum	Workman
Carruthers	Greiling	Koppendrayser	Mosel	Peterson	Swenson	Spk. Long
Clark	Gruenes	Krinkie	Munger	Pugh	Tomassoni	
Commers	Gutknecht	Krueger	Murphy	Reding	Tompkins	

Those who voted in the negative were:

Huntley	Jaros	Kahn	McCollum	Rukavina
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The bill was passed and its title agreed to.

S. F. No. 532 was reported to the House.

Dawkins moved to amend S. F. No. 532, as follows:

Page 4, line 29, delete "\$5,000" and insert "\$6,000" and before "or" insert ", or, on and after July 1, 1994, \$7,500" and delete "\$3,000" and insert "\$5,000"

Page 15, delete section 7

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

Winter moved to amend the Dawkins amendment to S. F. No. 532, as follows:

Page 1 of the Dawkins amendment, delete line 5

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Dawkins amendment to S. F. No. 532. The motion prevailed and the amendment was adopted.

Leppik and Dawkins moved to amend S. F. No. 532, as amended, as follows:

Page 5, after line 2, insert:

"When a court administrator is required to summon the defendant by certified mail under this paragraph, the summons may be made by personal service in the manner provided in the rules of civil procedure for personal service of a summons of the district court as an alternative to service by certified mail."

The motion prevailed and the amendment was adopted.

S. F. No. 532, A bill for an act relating to courts; conciliation court; adopting one body of law to govern conciliation courts; increasing the jurisdictional limit; amending Minnesota Statutes 1992, sections 481.02, subdivision 3; and 549.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 550; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 487.30; 488A.12; 488A.13; 488A.14; 488A.15; 488A.16; 488A.17; 488A.29; 488A.30; 488A.31; 488A.32; 488A.33; and 488A.34; and Laws 1992, chapter 591, section 21.

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 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Asch	Beard	Bettermann	Brown, C.	Clark	Dauner
Anderson, I.	Battaglia	Bergson	Bishop	Brown, K.	Commers	Davids
Anderson, R.	Bauerly	Bertram	Blatz	Carlson	Cooper	Dawkins

Dehler	Haukoos	Klinzing	McGuire	Orfield	Sekhon	Vickerman
Delmont	Hausman	Koppendrayner	Milbert	Ostrom	Simoneau	Wagenius
Dempsey	Holsten	Krinkie	Molnau	Ozment	Skoglund	Waltman
Dorn	Hugoson	Krueger	Morrison	Pauly	Smith	Weaver
Erhardt	Huntley	Lasley	Mosel	Pawlenty	Solberg	Wejzman
Evans	Jacobs	Leppik	Munger	Perlt	Sparby	Welle
Farrell	Jaros	Lieder	Murphy	Peterson	Stanius	Wenzel
Frerichs	Jefferson	Limmer	Neary	Pugh	Steensma	Winter
Garcia	Jennings	Lindner	Nelson	Reding	Sviggum	Wolf
Girard	Johnson, A.	Loftrey	Ness	Rest	Swenson	Worke
Goodno	Johnson, V.	Luther	Olson, E.	Rhodes	Tomassoni	Workman
Greenfield	Kahn	Lynch	Olson, K.	Rice	Tompkins	Spk. Long
Greiling	Kalis	Macklin	Olson, M.	Rodosovich	Trimble	
Gruenes	Kelley	Mahori	Onnen	Rukavina	Tunheim	
Gutknecht	Kelso	Mariani	Opatz	Sarna	Van Dellen	
Hasskamp	Kinkel	McCollum	Orenstein	Seagren	Vellenga	

Those who voted in the negative were:

Carruthers            Johnson, R.

The bill was passed, as amended, and its title agreed to.

S. F. No. 948 was reported to the House.

Bertram, Reding and Huntley moved to amend S. F. No. 948, as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1992, section 60C.22, is amended to read:

60C.22 [NOTICE FOR POLICY OR CONTRACT NOT COVERED.]

A policy or contract not covered by the Minnesota Life and Health Insurance Guaranty Association or the Minnesota Insurance Guaranty Association must contain the following notice in 10-point type, stamped in red ink on the policy or contract and the application:

"THIS POLICY OR CONTRACT IS NOT PROTECTED BY THE MINNESOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION OR THE MINNESOTA INSURANCE GUARANTY ASSOCIATION. IN THE CASE OF INSOLVENCY, PAYMENT OF CLAIMS IS NOT GUARANTEED. ONLY THE ASSETS OF THIS INSURER WILL BE AVAILABLE TO PAY YOUR CLAIM."

This section does not apply to fraternal benefit societies regulated under chapter 64B."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 948, A bill for an act relating to insurance; property; regulating the FAIR plan; modifying its provisions; making various technical changes; amending Minnesota Statutes 1992, sections 65A.31; 65A.32; 65A.33, subdivisions 4, 5, and 6; 65A.34; 65A.35; 65A.36; 65A.37; 65A.375; 65A.38; 65A.39; 65A.40; 65A.41; and 65A.42; repealing Minnesota Statutes 1992, sections 65A.33, subdivision 8; and 65A.43.

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	Dauner	Haukoos	Krinkie	Munger	Peterson	Swenson
Anderson, I.	Davids	Hausman	Krueger	Murphy	Pugh	Tomassoni
Anderson, R.	Dawkins	Holsten	Lasley	Neary	Reding	Tompkins
Asch	Dehler	Hugoson	Leppik	Nelson	Rest	Trimble
Battaglia	Dirmont	Huntley	Lieder	Ness	Rhodes	Tunheim
Bauerly	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Dellen
Beard	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Erhardt	Jefferson	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Evans	Jennings	Luther	Onnen	Sarna	Wagenius
Bettermann	Farrell	Johnson, A.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Sekhon	Weaver
Blatz	Garcia	Johnson, V.	Mahon	Orfield	Simoneau	Wejcman
Brown, C.	Girard	Kahn	Mariani	Osthoff	Skoglund	Welle
Brown, K.	Goodno	Kalis	McCollum	Ostrom	Smith	Wenzel
Carlson	Greenfield	Kelley	McGuire	Ozment	Solberg	Winter
Carruthers	Greiling	Kelso	Milbert	Pauly	Sparby	Wolf
Clark	Gruenes	Kinkel	Molnau	Pawlenty	Stanius	Worke
Commers	Gutknecht	Klinzing	Morrison	Pelowski	Steensma	Workman
Cooper	Hasskamp	Koppendraye	Mosel	Perlt	Svigum	Spk. Long

The bill was passed, as amended, and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 869 was reported to the House.

Ozment moved to amend S. F. No. 869, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 88.01, subdivision 2, is amended to read:

Subd. 2. [DIVISION.] "Division" or "the division" means the division of ~~lands and~~ forestry in the department of natural resources.

Sec. 2. Minnesota Statutes 1992, section 88.01, subdivision 6, is amended to read:

Subd. 6. [~~FOREST~~ WILDFIRE AREAS.] Every county now or hereafter having within its boundaries any tract or area of 1,000, or more, contiguous acres of ~~standing or growing timber or of unbroken prairie land or of cutover timber land not cleared or otherwise denuded of combustible or inflammable growth trees, brush, grasslands, or other vegetative material where the potential for wildfire exists,~~ is hereby declared to be a forest area; and every other county is hereby declared not to be such forest wildfire area.

Sec. 3. Minnesota Statutes 1992, section 88.01, subdivision 8, is amended to read:

Subd. 8. [BACKFIRE.] "Backfire" means a fire intentionally started ahead of, or in the path of, an approaching forest or prairie fire wildfire for the purpose of burning back toward that forest or prairie fire the wildfire so that when the two fires meet both will die for lack of fuel.

Sec. 4. Minnesota Statutes 1992, section 88.01, subdivision 15, is amended to read:

Subd. 15. [IMPROVEMENT.] "Improvement" includes any act or thing done, or which may be done, and any construction made or structure erected or which may be made or erected, and any removal from any land of trees, brush, stumps, or other debris, which reasonably tend to prevent or abate ~~forest fires~~ wildfires.

Sec. 5. Minnesota Statutes 1992, section 88.01, subdivision 23, is amended to read:

Subd. 23. [OPEN FIRE.] "Open fire" or "open burning" means a fire burning in matter, whether concentrated or dispersed, which is not contained within a fully enclosed firebox, structure or vehicle and from which the products of combustion are emitted directly to the open atmosphere without passing through a stack, duct or chimney.

Sec. 6. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 24. [WILDFIRE.] "Wildfire" means a fire requiring suppression action, burning any forest, brush, grassland, cropland, or any other vegetative material.

Sec. 7. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 25. [CAMPFIRE.] "Campfire" means a fire set for cooking, warming, or ceremonial purposes, which is not more than three feet in diameter by three feet high, and has had the ground five feet from the base of the fire cleared of all combustible material.

Sec. 8. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 26. [SNOW-COVERED.] "Snow-covered" means that the ground has a continuous, unbroken cover of snow, to a depth of three inches or more, surrounding the immediate area of the fire sufficient to keep the fire from spreading.

Sec. 9. Minnesota Statutes 1992, section 88.02, is amended to read:

88.02 [CITATION, ~~FORESTRY~~ WILDFIRE ACT.]

Sections 88.02 to ~~88.21~~ 88.22 may be cited as the ~~forestry~~ wildfire act.

Sec. 10. Minnesota Statutes 1992, section 88.03, is amended to read:

88.03 [CODIFICATION.]

Sections 88.03 to ~~88.21~~ 88.22 shall be deemed and construed as a codification, revision, and expansion of, and as supplementary to, and taking the place of, the laws which existed at the time of the passage of Laws 1925, chapter 407, relating to forestry and to ~~forest and prairie fires~~ wildfires, including Laws 1911, chapter 125, and acts amendatory thereof and supplemental thereto; Laws 1913, chapter 159; Laws 1915, chapter 325; Extra Session Laws 1919, chapters 32 and 33, but without abridging or destroying any rights, obligations, liabilities, or penalties from, or under, any of such laws prior to the taking effect of Laws 1925, chapter 407. Sections 88.03 to ~~88.21~~ 88.22 shall apply only to all the forest wildfire areas of this state. In the prosecution of any civil or criminal prosecution action commenced under sections 88.03 to 88.22, or proceeding thereunder, it shall not be necessary to prove that any county comes within the purview thereof is included in a wildfire area, but the contrary may be proven by any party to such action or proceeding.

Sec. 11. Minnesota Statutes 1992, section 88.04, is amended to read:

88.04 [FIREBREAKS; PREVENTION OF FIRES.]

Subdivision 1. The commissioner shall cooperate with the state highway authorities and with the supervising officers of the various towns and cities in the construction of firebreaks along section lines and public highways.

Subd. 2. All cities in the state situated in any ~~forest~~ wildfire area are hereby authorized to clear off all combustible material and debris and create at least two good and sufficient firebreaks of not less than ten feet in width each, which shall completely encircle such municipalities at a distance of not less than 20 rods apart, between which backfires may be set or a stand made to fight ~~forest fires~~ wildfires in cases of emergency.

Subd. 3. All towns and cities shall take necessary precautions to prevent the starting and spreading of ~~forest or prairie fires~~ wildfires and to extinguish them. They may levy a tax not more than 0.08059 percent of taxable market value annually. The tax in any municipality shall not exceed \$3,000 in any year. The tax when collected shall be known as the fire fund and kept separate from all other funds and used only to pay all necessary and incidental expenses incurred in enforcing the provisions of sections 88.03 to ~~88.21~~ 88.22. Up to \$500 shall be expended in any one year from any such fire fund for the support of any municipal fire department. No municipality shall make any levy for its fire fund at any time when the fund contains \$5,000 or more, including cash on hand and uncollected taxes that are not delinquent.

Subd. 4. In all towns constituted within any of the ~~forest~~ wildfire protection districts which may be established by the commissioner, the respective town and city officers and employees shall cooperate with, and be under the general supervision and direction of, the commissioner.

Sec. 12. Minnesota Statutes 1992, section 88.041, is amended to read:

88.041 [~~INTERSTATE FOREST FIRE~~ WILDFIRE PREVENTION AND SUPPRESSION AGREEMENTS.]

The commissioner may enter into agreements with other states, the Canadian or provincial governments to cooperatively prevent and suppress ~~forest fires~~ wildfires.

Sec. 13. Minnesota Statutes 1992, section 88.05, is amended to read:

88.05 [~~ROADSIDES, CLEARING; FIREBREAKS.~~]

All highways, roads, and trails within ~~forest~~ wildfire areas are declared to be established firebreaks and for that purpose the state, through the department of natural resources, is authorized to clean up all dead and down timber, all underbrush, rotting logs, stumps, and all other ~~inflammable~~ combustible refuse and debris along each side of these highways, roads, and trails for a distance of 200 feet on each side from the center thereof, all of this material to be burned or disposed of under the supervision of a ~~forestry~~ forest officer in such manner as not to injure the growing timber.

All dead and usable timber taken out of these roadsides shall be piled for the immediate removal thereof by the owners of the land from which the same was removed.

Sec. 14. Minnesota Statutes 1992, section 88.06, is amended to read:

88.06 [~~DEAD OR DOWN TIMBER; REMOVAL.~~]

The commissioner may permit, under the commissioner's direct supervision and control, any civilian conservation corps, works progress administration, or other state or federal relief agency actually engaged in the improvement and conservation of state trust fund lands within the boundaries of any state forest to clean up and remove all dead or down timber, underbrush, rotting logs, stumps, and all other ~~inflammable~~ combustible refuse and debris which is deemed to be a fire hazard, or the removal of any trees in forest stand improvement and cultural operations which is advisable in the interest of good forest management; and to use so much of these cuttings for firewood and other forest development needs while these camps are thus actively engaged in the improvement and care of these forests.

Sec. 15. Minnesota Statutes 1992, section 88.065, is amended to read:

88.065 [EQUIPMENT FURNISHED.]

Subject to applicable provisions of state laws respecting purchases, the commissioner of natural resources may purchase for and furnish to any governmental subdivisions of the state authorized to engage in ~~forest fire~~ wildfire prevention or suppression materials or equipment therefor, and may transport, repair, and renovate ~~forest fire~~ wildfire prevention and suppression materials and equipment for governmental subdivisions of the state. The commissioner may use any funds available for the purchase of ~~forest fire~~ wildfire prevention or suppression equipment or for its repair, transportation, and renovation under federal grants, if permitted by the terms thereof, or under state appropriations, unless otherwise expressly provided. Except as otherwise authorized or permitted by federal or state laws or regulations, the governmental subdivision receiving any such materials or services shall reimburse the state for the cost. All moneys received in reimbursement shall be credited to the fund from which the purchase, transportation, repair, or renovation was made, and are hereby reappropriated annually and shall be available for the same purpose as the original appropriation.

Sec. 16. Minnesota Statutes 1992, section 88.067, is amended to read:

88.067 [TRAINING OF LOCAL FIRE DEPARTMENTS.]

The commissioner may make grants for training of ~~volunteer~~ fire departments in techniques of fire control that will enable them to assist the state more effectively in controlling ~~forest fires~~ wildfires. The commissioner may require a local match for any grant. Training shall be provided to the extent practicable in coordination with other public agencies with training and educational responsibilities.

Sec. 17. Minnesota Statutes 1992, section 88.08, is amended to read:

88.08 [~~FOREST FIRE~~ WILDFIRE PROTECTION DISTRICTS.]

The commissioner may create and establish ~~forest fire wildfire~~ protection districts, including all lands of both state and private ownership, upon which there is a probability of ~~forest and brush fires~~ wildfires starting, and establish forest officers over these districts. All such ~~forest protection wildfire~~ districts heretofore established and now in existence are hereby continued until and unless hereafter abolished by the commissioner.

Sec. 18. Minnesota Statutes 1992, section 88.09, subdivision 2, is amended to read:

Subd. 2. [PURCHASE, LEASE, OR CONDEMNATION.] The commissioner may on behalf of the state, where no suitable state lands are available, purchase, lease or acquire easements on small tracts or parcels of lands, not exceeding 40 acres in area, ~~or costing more than \$1500 for any single tract,~~ to be used as locations for fire lookout towers, warehouses, or other buildings of any kind, or as locations for firebreaks, or for any other use which the commissioner may deem suitable; also acquire by condemnation any tract of land, not exceeding 40 acres, for these purposes; also acquire, by gift, purchase, or condemnation, any easement or right of way that may be necessary to provide access to any tract of land so acquired.

Sec. 19. Minnesota Statutes 1992, section 88.10, is amended to read:

88.10 [FIGHTING ~~FOREST FIRES~~ WILDFIRES, PERFORMANCE OF DUTY, AUTHORITY OF STATE FOREST OFFICERS.]

Subdivision 1. Under the direction of the commissioner, forest officers are charged with preventing and extinguishing ~~forest fires~~ wildfires in their respective districts and the performance of such other duties as may be required by the commissioner. They may arrest without warrant any person found violating any provisions of sections 88.03 to 88.22, take the person before a court of competent jurisdiction in the county charging the person so arrested, and the person so charged shall be arraigned and given a hearing on the complaint. The forest officers shall not be liable in civil action for trespass committed in the discharge of their duties. All authorized state forest officers, ~~including rangers, guards, township fire wardens,~~ conservation officers, smoke chasers, fire supervisors or individuals legally employed as firefighters, may in the performance of their duties of fire fighting go onto the property of any person, company, or corporation and in so doing may set backfires, dig or plow trenches, cut timber for clearing fire lines, dig water holes, remove fence wires to provide access to the fire or carry on all other customary activities necessary for the fighting of ~~forest, prairie or brush fires~~ wildfires without incurring a liability to anyone, except for damages arising out of willful or gross negligence.

Subd. 2. Any forest officer may serve any warrant for the arrest of any person violating any provision of sections 88.03 to 88.22 ~~and for that purpose all forest officers are hereby vested with the same powers as constables or other similar officers of the courts issuing such warrants.~~

Sec. 20. Minnesota Statutes 1992, section 88.11, subdivision 2, is amended to read:

Subd. 2. Any able-bodied person so summoned who refuses or neglects or otherwise fails to assist in extinguishing such fire or who fails to make all reasonable efforts to that end, until released by the summoning state employee, shall be guilty of a misdemeanor ~~and punished by a fine of not less than \$10 and not more than \$50 and the costs of prosecution, or by imprisonment in the county jail for not less than 10, nor more than 30, days.~~ The forest officer shall have power to commandeer, for the time being, equipment, tools, appliances, or other property in the possession of any person either summoned to assist in extinguishing the fire or in the vicinity thereof, and to use, and to require the persons summoned to use, the commandeered property in the fighting and extinguishing of the fire. The owner of any property so commandeered shall be promptly paid just compensation for the use thereof and all damages done to the commandeered property while in this use by the forest officer from any money available for these expenses under sections 88.03 to ~~88.21~~ 88.22.

Sec. 21. Minnesota Statutes 1992, section 88.12, is amended to read:

88.12 [COMPENSATION OF FIGHTERS OF ~~FOREST FIRES~~ WILDFIRES; EMERGENCY EXPENSES.]

Subdivision 1. [LIMITATION.] The compensation and expenses of persons temporarily employed in emergencies in suppression or control of ~~forest fires~~ wildfires shall be fixed by the commissioner of natural resources or an authorized agent and paid as provided by law. Such compensation shall not exceed the maximum rate for comparable labor established as provided by law or rules, but shall not be subject to any minimum rate so established. The commissioner is authorized to draw and expend ~~from~~ money appropriated for the purposes of sections 88.03 to ~~88.21~~ 88.22 a reasonable sum, ~~not to exceed \$5,000 at any one time,~~ and through forestry officers or other authorized agent be used in paying emergency expenses, including just compensation for services rendered by persons summoned and for private property used, damaged, or appropriated under sections 88.03 to ~~88.21~~ 88.22. The commissioner of finance is authorized to draw a warrant for this sum when duly approved by the commissioner. The commissioner or agent in charge shall take proper subvouchers or receipts from all persons to whom these moneys are paid, and after these subvouchers have been approved they shall be filed with the commissioner of finance. Authorized funds as herein provided at any time shall be deposited, subject to withdrawal or disbursement by check or otherwise for the purposes herein prescribed, in a bank authorized and bonded to receive state deposits; and the bond of this bank to the state shall cover and include this deposit.

Subd. 2. [CONTRACTS FOR SERVICES FOR FORESTRY OR ~~FIRE~~ WILDFIRE PREVENTION WORK; COMMISSIONS TO PERSONS EMPLOYED.] The commissioner is hereby authorized and empowered to contract for or accept the services of any and all persons whose aid is available, temporarily or otherwise, in forestry or ~~fire~~ wildfire prevention work, either gratuitously or for compensation not in excess of the limits provided by law with respect to the employment of labor by the commissioner. The commissioner may issue a commission, or other written evidence of authority, to any such person whose services are so arranged for; and may thereby empower such person to act, temporarily or otherwise, as fire warden, or in any other capacity, with such powers and duties as may be specified in the commission or other written evidence of authority, but not in excess of the powers conferred by law on forest officers.

Sec. 22. Minnesota Statutes 1992, section 88.14, is amended to read:

88.14 [DISPOSAL OF SLASHINGS AND DEBRIS.]

Subdivision 1. Where and whenever in the judgment of the commissioner or any forest officer there is or may be danger of starting and spreading of ~~fires~~ wildfires from slashings and debris from the cutting of timber of any kind and for any purpose, or from any accumulation of sawdust, shavings, chips, bark, edgings, slabs, or other ~~inflammable~~ combustible refuse from the manufacture of lumber or other timber products the commissioner, or forest officer, shall order the person by or for whom the timber or timber products have been or are being cut or manufactured to dispose of such slashings, debris, or refuse as the state employee may direct. Where conditions do not permit the burning of the slashings, debris, or refuse over the entire area so covered, the commissioner may require such person to dispose of the same in such a way as to establish a safe fire line around the area requiring such protection, the fire line to be of a width and character satisfactory to the commissioner, or otherwise to dispose of the same so as to eliminate the ~~fire~~ wildfires hazard therefrom.

Subd. 2. When any person who has been directed by the commissioner, or forest officers to dispose of such slashings, debris, or refuse fails to comply with these directions the person shall be deemed guilty of a misdemeanor; ~~and, on conviction thereof, punished by a fine of not less than \$25, and not exceeding \$100, and costs of prosecution; or by imprisonment in the county jail for not less than ten and not exceeding 90 days, and each day during which the failure to comply with the requirements of the commissioner continues shall be deemed a separate and distinct violation of sections 88.02 to 88.21; but any number of these offenses may be prosecuted as separate counts of one charge or information.~~

Subd. 3. When any such slashings, debris, or refuse are not disposed of or are left unattended for a period exceeding 30 days, contrary to the instructions of the commissioner, or forest officer, the commissioner, or any forest officer or fire warden, may go upon the premises with as many workers as may be necessary and burn or otherwise dispose of the same and the expense thereof shall be a lien upon the land on which they are situated and upon all contiguous lands of the same owner, and also upon all logs and other timber products cut or manufactured upon all these lands. This lien shall have the same effect and may be enforced in the same manner as a judgment in favor of the state for money. An itemized statement verified by the oath of the commissioner, or forest officer, of the amount of the costs and expenses incurred in burning or otherwise disposing of these slashings, debris, or refuse shall be filed,

within 90 days from the time the disposal thereof is completed, in the office of the county recorder of county in which the timber or timber products were cut or manufactured; and the amount of the lien shall be a valid claim that may be collected in a civil action from the person who cut or manufactured the wood, timber, or timber products from which the slashings, debris, or refuse were produced. Any moneys so collected shall be paid into the state treasury and credited to the general fund.

Subd. 4. Any person who cuts or fells trees or bushes of any kind in clearing land for any roadbed or right-of-way for any railroad, highway, or trail shall, in the manner and at the time as above prescribed, ~~burn the slashings and properly dispose of all combustible material, except fuel and merchantable timber, which shall be promptly removed.~~

Subd. 5. Any person who cuts or fells trees or bushes of any kind in clearing land for any purpose is hereby prohibited from setting fire to any slashings, brush, roots, or excavated stumps or other combustible material on such land and letting the fire run; but the same must be disposed of pursuant to the rules or directions of the commissioner.

Subd. 6. Any contractor who enters into a contract for the construction of a public road or other work, which involves the cutting or grubbing of woods, standing timber, or brush, shall ~~pile in the middle of the right of way all the slashings and debris so cut or grubbed therefrom and burn and properly dispose of such slashings and debris without damage to adjoining timber or woods, which burning shall be done in a manner and at a time satisfactory to the commissioner.~~ The foregoing provisions shall not prevent the leaving of such trees along roads as will be useful for ornamental and shade purposes and which will not interfere with travel.

Subd. 7. Every contract made by or on behalf of any municipality or political subdivision of this state which involves the cutting of any timber on the right of way of a public highway shall provide in terms for compliance with the foregoing provisions, but the failure to include this provision in the contract shall not relieve the contractor from the duty to ~~burn and~~ dispose of these slashings.

Subd. 8. In all cases not herein provided for, where timber is cut in, upon, or adjoining any forest land and no specific directions are given by the commissioner, or forest officer, for the disposal of slashings and debris resulting therefrom, all such slashings and debris within 200 feet of any adjoining timber land or any public highway, railroad, portage, or lake shore, shall ~~nevertheless be piled in separate and compact piles ready for burning, which piling shall be done~~ be properly disposed of by the person by or for whom the timber was cut ~~within 15 days after such timber was cut and such person shall thereafter make such further disposition of such slashings and debris as the commissioner, or forest officer, may direct.~~

Subd. 9. No sawdust, shavings, chips, bark, edgings, slabs, or other ~~inflammable combustible~~ refuse ~~from the manufacture of lumber or other timber products~~ that the commissioner or an agent of the commissioner determines to be a wildfire hazard shall be made or deposited upon any public highway, portage, railroad, or lake shore, or within 100 feet thereof.

Sec. 23. Minnesota Statutes 1992, section 88.15, is amended to read:

88.15 [~~CAMP FIRES~~ CAMPFIRES.]

Subdivision 1. [EXTINGUISHMENT.] Any ~~road overseer or assistant of a road overseer or other local officer having charge of any highway, or any state trooper, forest officer, conservation officer, or other peace officer~~ who finds that any person has left a ~~camp fire~~ campfire ~~burning in the officer's district~~ shall take measures to extinguish the same fire and take prompt measures to prosecute action against the person who so left the fire or persons responsible for leaving the campfire burning.

Subd. 2. [NOT TO BE LEFT BURNING.] Every person who ~~when the ground is not covered with snow~~ starts a ~~fire in the vicinity of forest or prairie land~~ campfire shall exercise every reasonable precaution to prevent the ~~fire~~ campfire from spreading and shall before lighting the same ~~campfire~~ campfire clear the ground of all branches, brushwood, dry leaves, and other combustible material within a radius of five feet from the fire, and ~~keep the fire under immediate personal supervision and control at all times, and carefully extinguish the fire before quitting the place~~ base of the campfire. The person lighting the campfire shall remain with the campfire at all times and shall before leaving the site completely extinguish the campfire.

Sec. 24. Minnesota Statutes 1992, section 88.16, is amended to read:

88.16 [STARTING FIRES; ~~CAMPFIRES; INCINERATORS; BURNING BAN~~ BURNERS; FAILURE TO REPORT A FIRE.]

Subdivision 1. Except as provided in subdivision 2, ~~and section 88.17, it shall be unlawful, when the ground is not snow-covered, in any place where there are standing or growing native coniferous trees, or in areas of ground from which natural coniferous trees have been cut, or where there are slashings of such trees, or native brush, timber, slashings thereof, or excavated stumps, or where there is peat or peat roots excavated or growing, to start or have any open fire without the written permission of the commissioner or other authorized, a forest officer, or an authorized fire warden.~~

Subd. 2. No permit is required for the following open fires:

(a) ~~A cooking or warming fire contained in a fireplace, firing, charcoal grill, portable gas or liquid fueled camp stove or other similar container or device designed for the purpose of cooking or heating, or if the area within a radius of five feet of the fire is reasonably clear of all combustible material. A fire started when the ground is snow-covered.~~

(b) ~~The burning of grass, leaves, rubbish, garbage, branches, and similar combustible material in an approved incinerator. An approved incinerator shall be constructed of fire resistant material, have a capacity of at least three bushels, be maintained with a minimum burning capacity of at least two bushels, and have a cover which is closed when in use and openings in the top or sides of one inch maximum diameter. No combustible material shall be nearer than three feet to the burner or incinerator when in use. A campfire.~~

(c) A fire contained in a charcoal grill, camp stove, or other device designed for the purpose of cooking or heating.

(d) A fire to burn dried vegetative materials and other materials allowed by Minnesota statutes or official state rules and regulations in a burner of a design which has been approved by the commissioner and with which there is no combustible material within five feet of the base of the burner and is in use only between the hours of 6:00 p.m. and 8:00 a.m. of the following day, when the ground is not snow-covered.

Subd. 3. The occupant of any premises property upon which any unauthorized fire is burning ~~in the vicinity of forest lands, whether the fire was started by the occupant or otherwise, shall promptly report the fire to the commissioner, or to the nearest forest officer or fire warden nearest forestry office, fire department, or other proper authority.~~ Failure to make this report shall be deemed a violation of sections 88.03 to 88.22 a misdemeanor and the occupant of the premises shall be deemed prima facie guilty of negligence if the unreported fire spreads from the premises to the property or causes damage, loss, or injury of the state or any person to another person, that person's property, or the state.

Sec. 25. Minnesota Statutes 1992, section 88.17, subdivision 1, is amended to read:

Subdivision 1. Permission A permit to set start a fire to any grass, stubble, peat, brush, raking of leaves, rubbish, garbage, branches, slashings or woods for the purpose of cleanup, clearing and improving land or preventing other fire shall burn vegetative materials and other materials allowed by Minnesota Statutes or official state rules and regulations may be given whenever the same may be safely burned, upon such reasonable conditions and restrictions as the commissioner may prescribe, to prevent same from spreading and getting beyond control by the commissioner or the commissioner's agent. This permission shall be in the form of a written permit signed by a regular forest officer, fire warden, authorized Minnesota pollution control agent, or some other suitable person to be designated authorized by the forest officer, as or town fire warden, these permits to be on forms furnished by the commissioner. Any person setting any fire or burning anything under such permit shall keep and shall set the time and conditions by which the fire may be started and burned. The permit shall also specifically list the materials that may be burned. The permittee must have the permit in immediate possession while so engaged on their person and shall produce and exhibit the permit for inspection when requested to any do so by a forest officer, when requested to do so, town fire warden, conservation officer, or other peace officer. The permittee shall remain with the fire at all times and before leaving the site shall completely extinguish the fire. A person shall not start or cause a fire to be started on any land that is not owned or under their legal control without the written permission of the owner, lessee, or an agent of the owner or lessee of the land. Violating or exceeding the permit conditions shall constitute a misdemeanor and shall be cause for the permit to be revoked.

Sec. 26. Minnesota Statutes 1992, section 88.17, is amended by adding a subdivision to read:

Subd. 3. [SPECIAL PERMITS.] The following special permits are required at all times, including when the ground is snow-covered:

(a) [FIRE TRAINING.] A permit to start a fire for the instruction and training of firefighters, including liquid fuels training, may be given by the commissioner or agent of the commissioner. Except for owners or operators conducting fire training in specialized industrial settings pursuant to applicable federal, state, or local standards, owners or operators conducting open burning for the purpose of instruction and training of firefighters with regard to structures must follow the techniques described in a document entitled: Structural Burn Training Procedures for the Minnesota Technical College System.

(b) [PERMANENT TREE AND BRUSH OPEN BURNING SITES.] A permit for the operation of a permanent tree and brush burning site, may be given by the commissioner or agent of the commissioner. Applicants for a permanent open burning site permit shall submit a complete application on a form provided by the commissioner. Existing permanent tree and brush open burning sites must submit for a permit within 90 days of the passage of this statute for a burning permit. New site applications must be submitted at least 90 days before the date of the proposed operation of the permanent open burning site. The application must be submitted to the commissioner and must contain:

(1) the name, address, and telephone number of all owners of the site proposed for use as the permanent open burning site;

(2) if the operator for the proposed permanent open burning site is different from the owner, the name, address, and telephone number of the operator;

(3) a general description of the materials to be burned, including the source and estimated quantity; and

(4) a topographic or similarly detailed map of the site and surrounding area within a one mile circumference showing all structures that might be affected by the operation of the site.

Only trees, tree trimmings, or brush that cannot be disposed of by an alternative method such as chipping, composting, or other method, shall be permitted to be burned at a permanent open burning site. A permanent tree and brush open burning site must be located so as not to create a nuisance or endanger water quality.

Sec. 27. [88.171] [OPEN BURNING PROHIBITIONS.]

Subdivision 1. [CONTINUAL.] Open burning prohibitions specified in this section are in effect at all times of the year.

Subd. 2. [PROHIBITED MATERIALS.] No person shall conduct, cause, or permit open burning of oils, rubber, plastics, chemically treated materials, or other materials which produce excessive or noxious smoke including, but not limited to, tires, railroad ties, chemically treated lumber, composite shingles, tar paper, insulation, composition board, sheetrock, wiring, paint, or paint filters.

Subd. 3. [HAZARDOUS WASTES.] No person shall conduct, cause, or permit open burning of hazardous waste as defined in section 116.06, subdivision 11, and applicable commissioner's rules.

Subd. 4. [INDUSTRIAL SOLID WASTE.] No person shall conduct, cause, or permit open burning of solid waste generated from an industrial or manufacturing process or from a service or commercial structure.

Subd. 5. [DEMOLITION DEBRIS.] No person shall conduct, cause, or permit open burning of burnable building material generated from demolition of commercial or institutional structures. A farm building is not a commercial structure.

Subd. 6. [SALVAGE OPERATIONS.] No person shall conduct, cause, or permit salvage operations by open burning.

Subd. 7. [MOTOR VEHICLES.] No person shall conduct, cause, or permit the processing of motor vehicles by open burning.

Subd. 8. [GARBAGE.] No person shall conduct, cause, or permit open burning of discarded material resulting from the handling, processing, storage, preparation, serving, or consumption of food, unless specifically allowed under section 17.135.

Subd. 9. [BURNING BAN.] No person shall conduct, cause, or permit open burning during a burning ban put into effect by a local authority, county, or a state department or agency.

Subd. 10. [SMOLDERING FIRES.] Fires must not be allowed to smolder with no flame present, except when conducted for the purpose of managing forests, prairies, or wildlife habitats.

Sec. 28. Minnesota Statutes 1992, section 88.18, is amended to read:

88.18 [FIRE WARDENS.]

The commissioner may appoint ~~supervisors, constables, and clerks of towns, mayors of cities, and presidents or presiding officers of city councils~~ local government officials, authorized Minnesota pollution control agents, fire chiefs, or other responsible persons to be fire wardens for in their respective districts; ~~and they shall do all things reasonably necessary to protect the property of such municipalities from fire and to extinguish the same.~~

Sec. 29. [88.195] [PENALTIES.]

Subdivision 1. [FAILURE TO EXTINGUISH A FIRE.] Any person who starts and fails to control or extinguish the fire, whether on owned property or on the property of another, before the fire endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.

Subd. 2. [FAILURE TO CONTROL A PERMIT FIRE.] Any person who has a burning permit and fails to keep the permitted fire contained within the area described on the burning permit or who fails to keep the fire restricted to the materials specifically listed on the burning permit is guilty of a misdemeanor.

Subd. 3. [CARELESS OR NEGLIGENT ACTS.] Any person who carelessly or negligently starts a fire that endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.

Subd. 4. [CARELESS OR NEGLIGENT ACTS.] Any person who participates in an act involving careless or negligent use of motor vehicles, other internal combustion engines, firearms with tracers or combustible wads, fireworks, smoking materials, electric fences, torches, flares, or other burning or smoldering substances whereby a fire is started and is not immediately extinguished before the fire endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.

Subd. 5. [INTERNAL COMBUSTION ENGINES.] Any person who operates a vehicle in a wildfire area when the ground is not snow-covered with an open exhaust cut-out, without a muffler, without a catalytic converter if required, or without a spark arrestor on the exhaust pipe; or any person who operates a tractor, chainsaw, or other internal combustion engine not equipped to prevent fires is guilty of a misdemeanor.

Sec. 30. Minnesota Statutes 1992, section 88.22, is amended to read:

88.22 ~~[FOREST FIRE WILDFIRE PREVENTION; CLOSING FOREST ROADS AND TRAILS; PROHIBITING OPEN FIRES AND SMOKING; REGULATING PRIVATE AND PUBLIC DUMPING AREAS PROHIBITIONS, BANNING; PENALTIES.]~~

Subdivision 1. (a) [ROAD CLOSURE.] When the commissioner of natural resources shall determine that conditions conducive to ~~forest fire~~ wildfire hazards exist in the ~~forest~~ wildfire areas of the state and that the presence of persons in the ~~forest~~ wildfire areas tends to aggravate ~~forest fire~~ wildfire hazards, render forest trails impassable by driving thereon during wet seasons and hampers the effective enforcement of state timber trespass and game laws, the commissioner may by written order, close any road or trail leading into any land used for any conservation purposes, to all modes of travel except that considered essential such as residents traveling to and from their homes or in other cases to be determined by the authorized forest officers assigned to guard the area.

(b) [BURNING BAN.] The commissioner may also, upon such determination, by written order, suspend the issuance of permits for open fires, revoke or suspend the operation of a permit previously issued and, to the extent the commissioner deems necessary, prohibit the building of all or some kinds of open fires in all or any part of a ~~forest~~ wildfire area regardless of whether a permit is otherwise required; and the commissioner also may, by written order, prohibit smoking except at places of habitation or automobiles or other enclosed vehicles properly equipped with an efficient ash tray.

Subd. 2. The commissioner may close any public or private dumping area, by posting such area as closed to dumping, whenever the commissioner deems it necessary for the prevention of ~~forest fires~~ wildfires. Thereafter no person shall deposit refuse of any kind within or adjacent to such closed area, or along the road leading thereto.

The commissioner shall establish such minimum standards governing public and private dumping areas as the commissioner deems necessary for the prevention of ~~forest fires~~ wildfires.

Subd. 3. Any violations of this section ~~shall constitute~~ is a misdemeanor.

Sec. 31. Minnesota Statutes 1992, section 88.76, is amended to read:

88.76 [REWARDS.]

Upon conviction of any person for violating any of the provisions of sections 88.03 to 88.22, the director may pay, from any money placed at the director's disposal under those sections, a reward of not more than ~~\$100~~ \$1,000 to the person or persons giving the information leading to such conviction.

Sec. 32. [REPEALER.]

(a) Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11, are repealed.

(b) Minnesota Rules, parts 7005.0705; 7005.0715; 7005.0725; 7005.0735; 7005.0745; 7005.0755; 7005.0765; 7005.0766; 7005.0767; 7005.0775; 7005.0785; 7005.0795; 7005.0796; 7005.0805; and 7005.0815, are repealed."

Delete the title and insert:

"A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires in forest areas; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, 23, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; 88.22; and 88.76; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11; and Minnesota Rules, parts 7005.0705; 7005.0715; 7005.0725; 7005.0735; 7005.0745; 7005.0755; 7005.0765; 7005.0766; 7005.0767; 7005.0775; 7005.0785; 7005.0795; 7005.0796; 7005.0805; and 7005.0815."

The motion prevailed and the amendment was adopted.

Asch moved to amend S. F. No. 869, as amended, as follows:

Page 19, after line 19, insert:

"Sec. 30. [88.211] [GRADE CROSSINGS IN DEVELOPMENT OF STATE TRAILS.]

The commissioner may consider the use of grade crossings in the development of any state trails. As used in this subdivision "grade crossing" is as defined in section 219.16, subdivision 2."

Page 20, after line 32, insert:

"Sec. 32. Minnesota Statutes 1992, section 219.16, is amended to read:

The term "grade crossing" as used in this chapter means the intersection of a public highway ~~and or~~ public pedestrian-bicycle trail with the tracks of a railroad, however operated, on the same plane or level, except street railways within city limits.

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Asch amendment and the roll was called. There were 39 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Greiling	Kalis	Olson, E.	Rest	Skoglund	Vellenga
Asch	Hausman	Leppik	Onnen	Rice	Solberg	Wagenius
Beard	Huntley	Lourey	Orenstein	Rukavina	Sparby	Welle
Carruthers	Jefferson	McCollum	Osthoff	Sarna	Swenson	
Evans	Johnson, A.	McGuire	Pauly	Sekhon	Tomassoni	
Farrell	Kahn	Milbert	Pugh	Simoneau	Trimble	

Those who voted in the negative were:

Abrams	Dauids	Gutknecht	Krinkie	Mosel	Peterson	Waltman
Anderson, R.	Dawkins	Hasskamp	Krueger	Murphy	Reding	Weaver
Battaglia	Dehler	Haukoos	Lasley	Neary	Rhodes	Wejzman
Bergson	Delmont	Holsten	Lieder	Nelson	Rodosovich	Wenzel
Bertram	Dempsey	Hugoson	Limmer	Ness	Seagren	Winter
Bettermann	Dorn	Jacobs	Lindner	Olson, K.	Smith	Wolf
Blatz	Erhardt	Jennings	Luther	Olson, M.	Stanius	Worke
Brown, C.	Frerichs	Johnson, R.	Lynch	Opatz	Steensma	Workman
Brown, K.	Garcia	Johnson, V.	Macklin	Orfield	Sviggum	Spk. Long
Carlson	Girard	Kelley	Mahon	Ostrom	Tompkins	
Commers	Goodno	Kinkel	Mariani	Pawlenty	Tunheim	
Cooper	Greenfield	Klinzing	Molnau	Pelowski	Van Dellen	
Dauner	Gruenes	Koppendrayer	Morrison	Perit	Vickerman	

The motion did not prevail and the amendment was not adopted.

S. F. No. 869, A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, 23, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; and 88.22; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown, C.	Dempsey	Gutknecht	Johnson, R.	Leppik	Milbert
Anderson, I.	Brown, K.	Dorn	Hasskamp	Johnson, V.	Lieder	Molnau
Anderson, R.	Carlson	Erhardt	Haukoos	Kahn	Limmer	Morrison
Asch	Carruthers	Evans	Hausman	Kalis	Lindner	Mosel
Battaglia	Clark	Farrell	Holsten	Kelley	Lourey	Munger
Bauerly	Commers	Frerichs	Hugoson	Kelso	Luther	Murphy
Beard	Cooper	Garcia	Huntley	Kinkel	Lynch	Neary
Bergson	Dauner	Girard	Jacobs	Klinzing	Macklin	Nelson
Bertram	Dauids	Goodno	Jaros	Koppendrayer	Mahon	Ness
Bettermann	Dawkins	Greenfield	Jefferson	Krinkie	Mariani	Olson, E.
Bishop	Dehler	Greiling	Jennings	Krueger	McCollum	Olson, K.
Blatz	Delmont	Gruenes	Johnson, A.	Lasley	McGuire	Olson, M.

Onnen	Pauly	Rest	Sekhon	Steensma	Van Dellen	Welle
Opatz	Pawlenty	Rhodes	Simoneau	Sviggum	Vellenga	Wenzel
Orenstein	Pelowski	Rice	Skoglund	Swenson	Vickerman	Winter
Orfield	Perlt	Rodosovich	Smith	Tomassoni	Wagenius	Wolf
Osthoff	Peterson	Rukavina	Solberg	Tompkins	Waltman	Worke
Ostrom	Pugh	Sarna	Sparby	Trimble	Weaver	Workman
Ozment	Reding	Seagren	Stanius	Tunheim	Wejzman	Spk. Long

The bill was passed, as amended, and its title agreed to.

S. F. No. 34, A bill for an act relating to student exchange programs; regulating student exchange programs; imposing a penalty; appropriating money; amending Minnesota Statutes 1992, section 299C.61, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 5A.

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	Dauids	Holsten	Lasley	Ness	Rhodes	Tunheim
Anderson, I.	Dehler	Hugoson	Leppik	Olson, E.	Rice	Van Dellen
Anderson, R.	Delmont	Huntley	Lieder	Olson, K.	Rodosovich	Vellenga
Asch	Dempsey	Jacobs	Limmer	Olson, M.	Rukavina	Vickerman
Battaglia	Dorn	Jaros	Lindner	Onnen	Sarna	Wagenius
Bauerly	Erhardt	Jefferson	Lourey	Opatz	Seagren	Waltman
Beard	Evans	Jennings	Luther	Orenstein	Sekhon	Weaver
Bergson	Farrell	Johnson, A.	Lynch	Orfield	Simoneau	Wejzman
Bertram	Frerichs	Johnson, R.	Mahon	Osthoff	Skoglund	Welle
Bettermann	Garcia	Johnson, V.	McCollum	Ostrom	Smith	Wenzel
Blatz	Girard	Kahn	McGuire	Ozment	Solberg	Winter
Brown, C.	Goodno	Kalis	Milbert	Pauly	Sparby	Wolf
Brown, K.	Greenfield	Kelley	Molnau	Pawlenty	Stanius	Worke
Carlson	Greiling	Kelso	Morrison	Pelowski	Steensma	Workman
Carruthers	Gruenes	Kinkel	Mosel	Perlt	Sviggum	Spk. Long
Clark	Gutknecht	Klinzing	Munger	Peterson	Swenson	
Commers	Hasskamp	Koppendrayner	Murphy	Pugh	Tomassoni	
Cooper	Haukoos	Krinkie	Neary	Reding	Tompkins	
Dauner	Hausman	Krueger	Nelson	Rest	Trimble	

The bill was passed and its title agreed to.

S. F. No. 1221 was reported to the House.

Sviggum and Anderson, I., moved to amend S. F. No. 1221, as follows:

Page 6, after line 2, insert:

"Sec. 7. [ESTABLISHMENT OF AN OFFICE OF DEPUTY REGISTRAR OF MOTOR VEHICLES IN KENYON AND CROSSLAKE.]

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar, the Goodhue and Crow Wing county auditors may, with the approval of the commissioner of public safety, establish an office of the deputy registrar of motor vehicles in the cities of Kenyon and Crosslake. All other provisions regarding the appointment and operation of a deputy registrar office under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, shall apply to the office.

Sec. 8. [EFFECTIVE DATE.]

Section 7 is effective the day following final enactment without local approval as provided in Minnesota Statutes, section 645.023, subdivision 1, paragraph (a)."

Amend the title accordingly

#### POINT OF ORDER

Osthoff raised a point of order pursuant to rule 3.09 that the Sviggum and Anderson, I., amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Sviggum and Anderson, I., amendment to S. F. No. 1221. The motion prevailed and the amendment was adopted.

Kinkel and Johnson, V., moved to amend S. F. No. 1221, as amended, as follows:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1992, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. [TOWN BRIDGES AND CULVERTS; TOWN ROAD ACCOUNT.] An amount equal to 25 percent of the county turnback account must be expended, within counties having two or more towns, on town road bridge structures that are ten feet or more in length and on town road culverts that replace existing town road bridges. In addition, if the present bridge structure is less than ten feet in length but a hydrological survey indicates that the replacement bridge structure or culvert must be ten feet or more in length, then the bridge or culvert is eligible for replacement funds. In addition, if a culvert that replaces a deficient bridge is in a county comprehensive water plan approved by the board of water and soil resources and the department of natural resources, the costs of the culvert and roadway grading other than surfacing are eligible for replacement funds up to the cost of constructing a replacement bridge. The expenditures on bridge structures and culverts may be on a matching basis, and if on a matching basis, not more than 90 percent of the cost of a bridge structure or culvert may be paid from the county turnback account. When bridge approach construction work exceeds \$10,000 in costs, or when the county engineer determines that the cost of the replacement culverts alone will not exceed \$20,000, the town shall be eligible for financial assistance from the town bridge account. Financial assistance shall be limited to 90 percent of the cost of the bridge approach work that is in excess of \$10,000 and shall be requested by resolution of the county board and shall be limited to:

(1) 100 percent of the cost of the bridge approach work that is in excess of \$10,000; or

(2) 100 percent of the cost of the replacement culverts when the cost does not exceed \$20,000 and the town board agrees to be responsible for all the other costs, which may include costs for structural removal, installation, and permitting. The replacement structure design and costs shall be approved and certified by the county engineer, but need not be subsequently approved by the department of transportation.

An amount equal to 47.5 percent of the county turnback account must be set aside as a town road account and distributed as provided in section 162.081."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1221, as amended, was read for the third time.

Osthoff moved that S. F. No. 1221, as amended, be continued on Special Orders. The motion prevailed.

S. F. No. 1187 was reported to the House.

Jacobs moved to amend S. F. No. 1187, as follows:

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 1992, section 148.921, subdivision 2, is amended to read:

Subd. 2. [PERSONS PREVIOUSLY QUALIFIED.] (a) The board shall grant a license for a licensed psychologist ~~without further examination~~ to a person who:

(1) before November 1, 1991, entered a graduate program granting a master's degree with a major in psychology at an educational institution meeting the standards the board has established by rule and earned a master's degree or a master's equivalent in a doctoral program;

(2) before ~~November 1~~ December 31, 1992 ~~1993~~, filed with the board a written declaration of intent to seek licensure under this subdivision;

(3) complied with all requirements of section 148.91, subdivisions 2 to 4, before December 31, 1997; and

(4) completed at least two full years or their equivalent of post-master's supervised psychological employment, including pre-doctoral internship, before December 31, 1998.

(b) Notwithstanding paragraph (a), the board shall not grant a license for a licensed psychologist under this subdivision to a person who files a written declaration of licensure after October 31, 1992, unless the applicant demonstrates that the applicant was a resident of Minnesota on October 31, 1992, and meets all other requirements for licensure under this subdivision."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1187, A bill for an act relating to health care; clarifying the uniform anatomical gift act; retroactively defining organ donation as the rendition of a service; amending Minnesota Statutes 1992, section 525.9221.

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	Battaglia	Bertram	Brown, K.	Commers	Dawkins	Erhardt
Anderson, I.	Bauerly	Bettermann	Carlson	Cooper	Dehler	Evans
Anderson, R.	Beard	Blatz	Carruthers	Dauner	Delmont	Farrell
Asch	Bergson	Brown, C.	Clark	Davids	Dempsey	Frerichs

Garcia	Jennings	Lieder	Munger	Pauly	Simoneau	Vickerman
Girard	Johnson, A.	Limmer	Murphy	Pawlenty	Skoglund	Wagenius
Goodno	Johnson, R.	Lindner	Neary	Pelowski	Smith	Waltman
Greenfield	Johnson, V.	Lourey	Nelson	Perl	Solberg	Weaver
Greiling	Kahn	Luther	Ness	Peterson	Sparby	Wejcman
Gruenes	Kalis	Lynch	Olson, E.	Pugh	Stanius	Welle
Gutknecht	Kelley	Macklin	Olson, K.	Reding	Steensma	Wenzel
Hasskamp	Kelso	Mahon	Olson, M.	Rest	Sviggum	Winter
Hausman	Kinkel	Mariani	Onnen	Rhodes	Swenson	Wolf
Holsten	Klinzing	McCollum	Opatz	Rice	Tomassoni	Worke
Hugoson	Koppendrayer	McGuire	Orenstein	Rodosovich	Tompkins	Workman
Huntley	Krinkie	Milbert	Orfield	Rukavina	Trimble	Spk. Long
Jacobs	Krueger	Molnau	Osthoff	Sarna	Tunheim	
Jaros	Lasley	Morrison	Ostrom	Seagren	Van Dellen	
Jefferson	Leppik	Mosel	Ozment	Sekhon	Vellenga	

The bill was passed, as amended, and its title agreed to.

S. F. No. 1232, A resolution memorializing Congress to consider the impact of the North American Free Trade Agreement on state sovereignty, the need for full legislative deliberation, and the withdrawal of NAFTA from the current fast-track 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 83 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cooper	Hausman	Lasley	Murphy	Peterson	Sparby
Anderson, R.	Dauner	Huntley	Lieder	Neary	Pugh	Steensma
Asch	Dawkins	Jacobs	Lourey	Nelson	Reding	Tomassoni
Battaglia	Delmont	Jefferson	Luther	Olson, E.	Rest	Trimble
Beard	Dorn	Jennings	Mahon	Olson, K.	Rice	Tunheim
Bergson	Evans	Johnson, A.	Mariani	Olson, M.	Rodosovich	Wagenius
Bertram	Farrell	Johnson, R.	McCollum	Orfield	Rukavina	Wejcman
Brown, C.	Garcia	Kahn	McGuire	Osthoff	Sarna	Welle
Brown, K.	Goodno	Kalis	Milbert	Ostrom	Sekhon	Wenzel
Carlson	Greenfield	Kelley	Morrison	Ozment	Simoneau	Winter
Carruthers	Greiling	Kinkel	Mosel	Pelowski	Skoglund	Spk. Long
Clark	Hasskamp	Krueger	Munger	Perl	Solberg	

Those who voted in the negative were:

Abrams	Dehler	Haukoos	Krinkie	Ness	Stanius	Waltman
Bauerly	Dempsey	Holsten	Leppik	Onnen	Sviggum	Weaver
Bettermann	Erhardt	Hugoson	Limmer	Pauly	Swenson	Wolf
Bishop	Frerichs	Jaros	Lindner	Pawlenty	Tompkins	Worke
Blatz	Girard	Johnson, V.	Lynch	Rhodes	Van Dellen	Workman
Commers	Gruenes	Kelso	Macklin	Seagren	Vellenga	
Davids	Gutknecht	Koppendrayer	Molnau	Smith	Vickerman	

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately following printed Special Orders for today:

S. F. Nos. 1077, 1114, 1418, 748, 1368, 452, 334, 502, 1297, 918, 131, 981, 1226 and 414.

**SPECIAL ORDERS, Continued**

Anderson, I., moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

**GENERAL ORDERS**

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

**ANNOUNCEMENT BY THE SPEAKER**

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 514:

Sparby, Jennings and Johnson, V.

**ADJOURNMENT**

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Friday, May 14, 1993. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Friday, May 14, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives